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Health and Welfare

AIHW

Australia's welfare 2021 data insights



A decorative graphic on the right side of the page consisting of several overlapping squares in various shades of purple, arranged in a stepped pattern.

Australia's welfare 2021 data insights

The Australian Institute of Health and Welfare is a major national agency whose purpose is to create authoritative and accessible information and statistics that inform decisions and improve the health and wellbeing of all Australians.

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Australian Government
Australian Institute of
Health and Welfare

AIHW



The Hon Greg Hunt MP
Minister for Health and Aged Care
Parliament House
Canberra ACT 2600

Dear Minister

On behalf of the Board of the Australian Institute of Health and Welfare, I am pleased to present to you *Australia's welfare 2021*, as required under Subsection 31(1A) of the *Australian Institute of Health and Welfare Act 1987*.


This edition continues the AIHW tradition of delivering high quality evidence and value-added analysis on welfare and welfare services in Australia. The report provides comprehensive coverage of topics in statistical snapshots (online) and explores new insights on topical issues, in narrative articles (print and online). It includes a number of articles which closely examine the impacts COVID-19 has had in 2020 and early 2021 in Australia. The report also explores the welfare data landscape and how future data could better meet the needs of policy makers, service providers, researchers and the public.

I commend this report to you as a significant contribution to national information on welfare-related issues, and to the development of welfare policies and programs in Australia.

Yours sincerely

Mrs Louise Markus
Chair
AIHW Board
16 August 2021

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About *Australia's welfare 2021*

This edition of the AIHW's biennial flagship report on welfare is comprised of the following product suite:



Australia's welfare 2021: data insights

This is a collection of articles on selected welfare topics, including an overview of the welfare data landscape, and contributions by academic experts. It is available as a print report and online as a PDF.



Australia's welfare snapshots

This is a collection of 43 web pages that present key facts on welfare in Australia, housing, education and skills, employment and income, social support, justice and safety, and Indigenous Australians. They are available online in HTML (some updated when new data are available) and as a compiled PDF.



Australia's welfare 2021: in brief

This presents key findings and concepts from the snapshots and data insights to tell the story of welfare in Australia. It is available as a print report and online as a PDF.



Australia's welfare indicators

This is an interactive data visualisation tool that measures welfare system performance, individual and household determinants and the nation's wellbeing. It is available online in HTML.

All products can be viewed or downloaded at:
www.aihw.gov.au/reports-data/australias-welfare

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Preface

Each year the Australian Institute of Health and Welfare (AIHW) produces one of its highly regarded biennial flagship reports – *Australia's health or Australia's welfare*. This year marks the 15th edition in the *Australia's welfare* series, *Australia's welfare 2021*.

Since the first release in 1993, the *Australia's welfare* series has been a source of credible and authoritative welfare-related information for policymakers, service providers, researchers and the public.

In each edition, we draw on a wide range of data sources to examine and present different perspectives on current and important issues facing Australians. The welfare reports provide a holistic picture of the current state of welfare and wellbeing in Australia, and describe the underlying data environment.

We release *Australia's welfare 2021* at a difficult time. While the COVID-19 pandemic has not had the extreme effects it has in many other countries, its impact in Australia has been – and continues to be – considerable, touching nearly all people and aspects of life.

Australia's welfare 2021 tells part of the nation's pandemic story, from the start of the pandemic in Australia to early- to mid-2021. The primary focus of 3 of the 8 long-form articles relates to the pandemic's impact: on the wellbeing of Australians, on the housing sector, and on employment and income support. Most of the remaining articles also cover the impact of the pandemic especially on the data environment, but to a lesser extent.

As we write, the circumstances in which Australians live are continuing to change, as reflected by the outbreaks of COVID-19 mid-2021 onwards. While the AIHW has endeavoured to report up-to-date data in this report, some sections will have data covering the 2020 period. While some aspects of life during the pandemic change quickly, such as employment figures, others may not change that much or change may not be immediately apparent. It remains too early to know how some of these longer-term impacts will develop. Each section of this report clearly states the data it uses and the time period covered by the data.

In addition to the impact of the pandemic, the report presents current evidence on the longer-established welfare topics. It covers information on, and trends over time for, traditional welfare themes such as: support for Indigenous Australians, aged care, people with disability, justice and safety, employment and income, education and skills, housing, and welfare expenditure and workforce.

Australia's welfare 2021 continues the series' recent departure from a single large print publication towards a more accessible multi-product release consisting of a comprehensive web presence and leaner print publications. This shift to a more digital product is consistent with global moves from large print publications and enables more timely and accessible release of data. The 2021 release comprises 4 products that together make up *Australia's welfare 2021*:

- ***Australia's welfare 2021: data insights*** (this report) which contains 8 original articles on welfare-related issues and the welfare information environment in Australia
- **Online snapshots** which report statistics on key welfare topics across 43 webpages
- ***Australia's welfare 2021: in brief*** which summarises the key findings from snapshots and data insights to provide a holistic picture of welfare and wellbeing in Australia
- **Australia's welfare indicators** which are a collection of important welfare-related indicators that readers can examine first-hand.

AIHW's core purpose – to produce authoritative and accessible information and statistics – remains important and I am confident data will play an increasing role in informing public discussion.

I would like to thank everyone involved in producing this report and to acknowledge the valuable advice provided by the many experts throughout the drafting and review stages.

I extend a special thanks to the authors of the 2 chapters in this report contributed by academic experts: Dr Ferdi Botha from The University of Melbourne and Associate Professor Wojtek Tomaszewski from The University of Queensland (Chapter 2), and Professor Hal Pawson from the University of NSW (Chapter 5).

We are committed to improving the usefulness and relevance of our flagship reports and welcome your feedback via flagships@aihw.gov.au

Rob Heferen
CEO

Introduction

Welfare refers to the wellbeing of individuals, families and the community. It is associated with comfort, happiness, health, prosperity, security and safety.

A person's wellbeing is influenced by a broad range of individual, social, economic and environmental factors. While many Australians can manage their own wellbeing with little intervention or support, at times and in certain circumstances some may need to draw on additional support and services to help them fully participate in all facets of life. Such support may come from government and non-government agencies, local communities, family and friends.

The level and type of supports a person may need will depend on their life stage, level of disadvantage, health and disability status, social and economic participation, access to suitable housing, informal support networks and the complex interrelationships between these factors.

At the government level, high-quality data is crucial to understanding the population's wellbeing, measuring progress and working to improve outcomes. This includes data on how people engage with and navigate welfare services – information that is important to know in planning and delivering services.

The AIHW has a pivotal role in producing and reporting data to support improvements in the wellbeing of Australians. In these unprecedented times, this role is more important than ever.

Since September 2019 when the AIHW released the previous edition of *Australia's welfare*, the world has changed dramatically. The coronavirus disease 2019 (COVID-19) pandemic swept rapidly across the globe and propelled unparalleled government action, thus affecting the lives and wellbeing of most people in most countries.

The pandemic has caused public interest in data to swell. On the health front, many Australians watch and discuss the daily reports of COVID-19 case numbers (for example, active cases, new cases, locally acquired cases, infectious cases in the community), testing numbers and administered vaccination doses.

These COVID-19 data have been indispensable to Australia's governments, policy makers, service providers and health experts. Indeed, these and other statistics have underpinned the major policy decisions shaping the lives of Australians during the pandemic, including border control measures; international travel restrictions; lockdown rules for businesses, households and individuals; and the prioritisation of vaccine recipients.

Australian and state and territory governments depend on these data and other data when designing initiatives to support the large segments of the population whose lives and livelihoods have been affected by the crisis. The scale of this support and data sharing has been extraordinary and unmatched.

In Australia, the direct health impacts of COVID-19 on the population have been relatively restrained when compared with those of many other countries. But the ongoing battle to contain its spread – at government, community and individual levels – has highlighted many mental health and welfare issues and focused attention on the importance of protecting and promoting our wellbeing.

Some key initiatives designed to support Australians from the indirect impacts of COVID-19 have been:

- Economic Support Payments for eligible income support recipients, JobKeeper Payment, expanded eligibility for JobSeeker Payment, the Coronavirus Supplement, and additional economic support packages introduced mid-2021 including the Australian Government COVID-19 Disaster Payment and Pandemic Leave Disaster Payment
- declaring moratoriums on evictions for non-payment of rent for COVID-19-impacted households
- providing fee-free child care services for families
- placing people experiencing homelessness into temporary hotel accommodation
- expanding mental health and telehealth services, domestic violence services, and emergency food relief.

Australians know the nation has fared reasonably well on many aspects of the COVID-19 crisis when compared internationally. That said, for many Australians, the impacts on wellbeing have been deep and wide ranging – and may be long lasting.

Australia's welfare 2021: data insights aims to tell Australia's welfare story at this complex moment in history. It also examines the information and data environments that underlie the welfare system.

- **Chapter 1** describes the welfare information environment in Australia and the impact of COVID-19 on the data landscape.
- **Chapter 2** highlights that a broad range of social determinants are important for wellbeing in Australia, including quality social interactions, mental health and employment.
- **Chapter 3** examines the direct and indirect impact of the COVID-19 pandemic on the wellbeing of Australians.

- **Chapter 4** explores the impact of the COVID-19 pandemic on the employment and income levels of Australians and on their receipt of government payments.
- **Chapter 5** looks at the different effects that COVID-19, and the resulting policy measures, have had on Australia's housing system and the population experiencing homelessness through 2020 and early 2021.
- **Chapter 6**, presents a map-focused examination of the regional differences in assistance provided to homeless Aboriginal and Torres Strait Islander people.
- **Chapter 7** presents a high-level overview of the current state of disability data in Australia and the work underway to improve this evidence base, including the National Disability Data Asset pilot.
- **Chapter 8** provides an overview of the current data available on older people during their journey through government-funded aged care, and identifies the data gaps, limitations and opportunities to improving understanding of their journey.

These 8 articles highlight the crucial role of high quality data, both in telling the story of Australia's welfare and in changing that story for the better.

With respect to how Australians are faring overall, the Indicators for Australia's welfare summarise the performance of Australia's welfare system, track individual and household determinants of the need for welfare support, and provide insights into the nation's wellbeing status more broadly – with a focus on capturing trends over time. Results for 52 indicators are released online as part of the *Australia's welfare 2021* suite (<https://www.aihw.gov.au/reports-data/indicators/australias-welfare-indicators>).

See also 'Indicators of Australia's welfare' at www.aihw.gov.au/reports/australias-welfare/indicators-of-australias-welfare for more information about the indicator framework.

Accurate and timely data during the pandemic is vital for an informed policy response, with assessment of data over longer periods important for monitoring trends and planning for future needs. While some aspects of life during the pandemic change quickly, others will take some time to develop and it remains too early to know the nature of these longer-term impacts.

Key findings for a selection of indicators are presented below, with some presenting data during the COVID-19 pandemic in Australia.

Based on the Australia's welfare indicators, we are faring well on many aspects of wellbeing:

- **Non-school qualifications have been steadily increasing.** The proportion of people with a non-school qualification (Certificate III level or above) has been on the rise since 2004. In 2020, two-thirds (67%) of Australians aged 25–64 years had a non-school qualification (ABS 2020a).
- **Disability-free life expectancy is increasing.** A boy born in 2018 can expect to live, on average, an estimated 63.7 years without disability, and a girl 66.2 years. This is 4.6 and 4.0 extra years for males and females, respectively, compared with 2003 (AIHW 2020b).
- **Levels of generalised trust increased in 2020.** Levels of generalised trust did not change between 2006 and 2019 with more than half (54%) of adults somewhat or strongly agreeing that most people can be trusted. In 2020, the proportion of Australians that agreed most people can be trusted increased to 61% (ABS 2021a).
- **Fewer Indigenous households are overcrowded.** The proportion of Indigenous households living in overcrowded conditions fell from 16% in 2001 to 10% in 2016 (AIHW 2019a). This drop in overcrowding represents a narrowing of the gap between Indigenous and non-Indigenous Australians from 22 to 13 percentage points (AIHW & NIAA 2020).

A few things warrant attention:

- **1 in 3 unemployed people are long-term unemployed.** In April 2021, the long-term unemployed represented 33.5% of all unemployed people, a level not seen since the 1990s (ABS 2021b).
- **1 in 9 families with children are jobless.** In 2020, 11.2% of families with children under 15 were jobless – an increase from 10.0% in 2019 (ABS 2020b).
- **2 in 5 households are in housing stress.** The proportion of lower income renter households in housing stress rose steadily between 2007–08 and 2017–18. In 2017–18, 43% of lower income renter households paid more than 30% of income on housing costs. This is an 8 percentage point rise from 35% in 2007–08 (ABS 2019).
- **Most Australians reported lower life satisfaction in 2020.** In 2020, on average, Australians rated their overall life satisfaction as 7.2 out of 10, compared with 7.5 in 2019 and 7.6 in 2014. With the exception of people aged 70 years or over, most people reported a lower overall life satisfaction in 2020 compared to 2019 (ABS 2021a).

Australia's welfare indicators also show interesting trends in:

- **Young people not in education, employment or training.** The proportion of people aged 15–24 who were not in education, employment or training (NEET) rose from 8.7% in May 2019 to 12.5% in May 2020. However, the proportion has since fallen, with 8.7% of young people NEET in May 2021 (ABS 2021b).
- **Suicide.** In 2019, there were 12.9 deaths by suicide per 100,000 population (age-standardised rate). This compares with 10.7 deaths per 100,000 in 2009 (AIHW 2020a).
- **Access to emergency funds.** In 2020, 1 in 5 households (18.7%) were 'unable to raise \$2,000 within a week for something important'. In contrast, 13.4% of households were unable to raise \$2,000 within a week for something important in 2014 (ABS 2021a).

International comparisons

Comparing Australia with other OECD countries on a range of wellbeing measures we find that:

- Australia's youth unemployment rate (ages 15–24) of 14.3% in 2020 ranked 21st highest out of 37 OECD countries for which data were available. This was lower than the OECD average of 15% (OECD 2021d).
- Australia had a relatively high household disposable income of US\$32,759 in 2016 at current purchasing power parities per capita, ranking 7th highest out of 29 OECD countries for which data were available (OECD 2021a).
- 72% of Australians aged 15–64 were employed in the third quarter (July–September) of 2020. This increased to 74% in the fourth quarter (October–December) of 2020. Australia's employment-to-population ratio (the employment rate) ranked 13th highest out of 37 OECD countries in the fourth quarter of 2020, and was above the OECD average of 67% (OECD 2021c).
- Almost half (47%) of Australians aged 25–64 had a tertiary education in 2019. Australia ranked 9th highest out of 37 OECD countries, and was above the OECD average of 38% (OECD 2021b).

For more, see 'International comparisons of welfare data' at <https://www.aihw.gov.au/reports/australias-welfare/international-comparisons-of-welfare-data>.

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List of Australia's welfare snapshots

Australia's welfare snapshots are web pages that present key information and data on the welfare system, welfare of Australians and factors that can affect our wellbeing.

The full list of snapshots is provided here and can be viewed at www.aihw.gov.au/australia-welfare/snapshots

Welfare in Australia

Health and welfare links

Indicators of Australia's welfare

International comparisons
of welfare data

Philanthropy and charitable
giving

Profile of Australia's population

Social isolation and loneliness

Understanding welfare
and wellbeing

Welfare expenditure

Welfare workforce

Housing

Home ownership and housing tenure

Homelessness and homelessness
services

Housing affordability

Housing assistance

Education and skills

Apprenticeships and traineeships

Childcare and early childhood
education

Higher education and vocational
education

School student engagement and
performance

Secondary education: school
retention and completion

Transition to Primary School

Employment and income

Age Pension

Disability Support Pension and
Carer Payment

Employment and unemployment

Income and income support

JobKeeper and employment services

Unemployment and parenting income
support payments

Social support

Aged care

Gambling in Australia

Informal carers

Specialised supports for
people with disability

Volunteers

Justice and Safety

Adoptions

Adult prisoners

Child protection

Family, domestic and
sexual violence

Youth justice

Indigenous Australians

Aged care for Indigenous Australians

Disability support for Indigenous
Australians

Indigenous community safety

Indigenous education and skills

Indigenous employment

Indigenous housing

Indigenous income and finance

Profile of Indigenous Australians



1

The importance of welfare data

1. The importance of welfare data

The Coronavirus disease 2019 (COVID-19) pandemic has transformed the way data are thought about and used in Australia and other countries. It has generated an intense interest – in the media; among medical experts, politicians and economists; and among the public – in for example, the daily number of COVID-19 cases. People have become used to seeing data almost in real time. Given the stakes for people’s health and welfare and the nation’s economy, the demand for timely data has been strong, and this pressure has altered the way that data are used. This will, in turn, have a long-lasting impact on the data system in Australia.

The need for better data has also been a key focus of several recent major inquiries, including the Productivity Commission Inquiry into Australia’s mental health system and the Royal Commission into Aged Care Quality and Safety and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

This article starts by providing some background information on the impact that COVID-19 has had on the data landscape in Australia and the specific role that the AIHW has played in this. It then outlines the current state of welfare data in Australia, highlighting some key data gaps. It concludes by outlining the overall role of the AIHW and how this has changed over time.

Data and COVID-19

From the start of the COVID-19 pandemic in Australia, data have been at the forefront of public discussion. The daily count of new COVID-19 cases quickly became one of the main news stories every day and data-based terminology such as ‘flattening the curve’ became a part of everyday conversation.

The demand for rapid and close to real-time data since the onset of COVID-19 has been notable – both for data related to the disease itself and for data related to other issues affected by the pandemic.

Data on suspected deaths by suicide

Strong concern had been expressed that any economic downturn caused by the pandemic could have a considerable negative impact on people’s mental health and see a consequent rise in the number of deaths by suicide. Monitoring this potential impact required the collation and analysis of data very quickly. Data on deaths by suicide normally have a reporting lag of 12–18 months – clearly not viable in this crisis.

The AIHW began to compile data from several existing suicide registers as part of its work on suicide and self-harm in early 2020 for sharing in confidence, within government. These registers can provide data on the number of suspected suicides within days.

Data from the registers have shown that, despite initial fears, COVID-19 has not, to date, been associated with a rise in the suicide rate. A key goal of the AIHW's work on suicide and self-harm is to establish suicide registers in every state and territory.

Information on suicide and intentional self-harm statistics is available on the AIHW website: <https://www.aihw.gov.au/suicide-self-harm-monitoring>.

Data on mental health services

The AIHW has been assisting the Australian Government Department of Health since April 2020 to curate, analyse and regularly report to governments on COVID-19 data related to the use of mental health services. Data reported include information from the Medicare Benefits Schedule (MBS), Pharmaceutical Benefits Scheme (PBS), crisis and support organisations funded by the Australian Government (Lifeline, Beyond Blue, Kids Helpline), and analysis of emerging research findings. In addition, the AIHW has facilitated the sharing of detailed data on the use of mental health services with the New South Wales, Victorian and Queensland governments. Importantly, this involves a 2-way sharing of data: the Australian Government shares data in confidence with these jurisdictions and they share their data in return. By sharing these detailed data every fortnight, government agencies can quickly identify emerging trends.

Australian Bureau of Statistics data

The Australian Bureau of Statistics (ABS) has been very active in compiling and releasing timely data since the onset of COVID-19 (Box 1.1).

An important example involves the use of Single Touch Payroll (STP) data. The ABS and the Australian Tax Office (ATO) fast-tracked work to use the new STP data to provide close to real time insights on changes in the labour market. On 21 April 2020, the ABS released weekly payroll jobs and wages indexes for the first time, to complement its existing labour market statistics (ABS 2021a).

The STP data released by the ABS have been invaluable in understanding the impact of the COVID-19 pandemic on employment.

State and territory governments have also used data extensively since the onset of the pandemic that are directly related to COVID-19 and the associated uses of health services, including mental health services.

Box 1.1: Evolving product range of the Australian Bureau of Statistics during COVID-19

From mid-March 2020, the ABS introduced a range of COVID-19-related products as the pandemic escalated. These included new releases on jobs and wages (weekly data published fortnightly), preliminary monthly data on areas such as retail trade and overseas travel (ABS 2021d), as well as new provisional mortality statistics. The ABS also quickly developed 2 rapid turnaround surveys – the Household Impacts of COVID 19 Survey (ABS 2021c) and a survey of business conditions and sentiments (ABS 2021b) – to assess the impacts of the pandemic on businesses, people and households.

Use of STP data for information on changes in jobs and wages

The ABS and the ATO expedited work to use STP data to provide close to real-time information on changes in jobs and wages as pandemic restrictions were implemented. The ABS received the first STP file, containing 351 million transactions, on 2 April 2020, and 19 days later published its first online release of Weekly payroll jobs and wages in Australia (ABS 2021f). This analysis not only provides a national and state/territory picture of changes in jobs and wages during the pandemic – with breakdowns for sex, age group, industry and employment size – but also includes sub-state regional data (from July 2021).

Retail trade estimates

The ABS introduced preliminary retail trade estimates during the COVID-19 pandemic (ABS 2021e), published 2 or 3 weeks after the end of each month. Analysis of supermarket and grocery store scanner data during peak periods in the pandemic backed up stories of some consumers stockpiling for the pandemic, revealing a doubling in monthly turnover at some points for products such as toilet and tissue paper, flour, rice and pasta.

Mortality statistics

From June 2020, the ABS released monthly mortality statistics to provide more timely information on mortality patterns. The monthly provisional information is based on deaths certified by doctors and includes information on the total number of deaths by all key causes of death. The number of deaths was above historical averages for the first 3 months of 2021, including for deaths due to cancer, dementia and diabetes. In contrast, there were no deaths certified due to influenza between late July 2020 and the end of March 2021. The new series also showed that a high proportion of people who died from COVID-19 in 2020 in Australia had pre-existing chronic conditions.

continued

Box 1.1 (continued): Evolving product range of the Australian Bureau of Statistics during COVID-19

Household impacts of COVID-19

The content for the ABS Household Impacts of COVID-19 Survey (ABS 2021c), which ran from April 2020 to June 2021, changed each month. Topics covered over that period included attitudes to vaccination, concerns about health, and psychological distress. The final release from this survey, in June 2021, showed that 1 in 6 people in Australia reported that life would never return to normal. The June survey also showed that 1 in 5 Australians continued to experience high or very high levels of psychological distress.

Business impacts of COVID-19

The ABS survey of the incidence and nature of impacts on business of COVID-19 (ABS 2021b) was introduced in March 2020. As with the ABS Household Impacts of COVID-19 Survey (ABS 2021c), topics changed during the pandemic to capture aspects such as business take-up of JobKeeper payments, operational changes (for example, reduced staff working hours) and other impacts.

Continuing data efforts

Some of these new timely products will continue (including the payroll and jobs release and monthly mortality estimates) and some ceased from July 2021 (such as the Household Impacts of COVID-19 Survey). The ABS is also developing a new suite of monthly indicators tracking household spending, business turnover and employee earnings, which will be released in the second half of 2021.

Private sector data

A range of private sector data has also been very valuable since the onset of the pandemic. For example, aggregate data from mobile phones allows rapid information on mobility, including the extent to which people are using public transport and reductions in trips to central business districts associated with lockdown measures. Rapid information has also been available on changes in spending patterns from, for example, data on spending through bank issued cards and apps. See 'Chapter 4 The impacts of COVID-19 on employment and income support in Australia'.

Another example of the innovative use of data is the CommBank Benefits finder, which uses customer banking data to help the bank's clients identify and access government support that is appropriate to them (Box 1.2).

Box 1.2: Example of innovative use of data

Baker et al. (2010) estimated that in 2007–08, Australians potentially missed out on nearly \$5 billion in assistance provided by the government through Centrelink, including to people who have a significant need for these payments and programs. This is a global phenomenon (Bhargarva & Manoli 2014), where citizens find navigating available government programs highly complex, or are not even aware they exist.

There are opportunities to make better use of an individual's own data to improve government service delivery and policy outcomes, particularly to benefit the individual. Data driven experiences across the public and private sectors could create significant benefits for people and governments.

The CommBank Benefits finder uses data to make it easier for customers to access government support. It organises and personalises hundreds of government benefits in one place and makes it easy to claim. It has resulted in more than 1 million new claims since its launch in September 2019 – with half-a-billion dollars going into customer pockets over the last year in reduced energy costs and Centrelink support payments (Collett 2021), and a 45% improvement in satisfaction with government and the CommBank. Of these 1 million claims, 695,000 have been lodged since the start of the coronavirus pandemic (CommBank 2021).

Between September 2019 and February 2021, enabled by the CommBank Benefits finder, there were:

- 31,256 claims for JobSeeker-related payments
- 26,587 claims for the Family Tax Benefit
- 29,863 claims for rent assistance (CommBank 2021).

Many banks capture and use an incredible amount of rich data to provide a valuable and secure banking service. This includes identity checks, geo-location and home address, utilities, concession cards and payments, financial status, family status and business ownership. The Benefits finder uses these attributes to match customers to government rebates or benefits based on eligibility criteria and probability, as well as to alert them to urgent support available in the event of a natural disaster in their geographical location.

continued

Box 1.2 (continued): Example of innovative use of data

Use of this innovative data leads to benefits at the customer/person level by reducing uncertainty and effort and improving outcomes. It also speaks more broadly to the huge potential of sharing analytics and insights from data with service providers and decision makers to help improve operational effectiveness in delivering better public services. For example, looking forward, banks and governments could work together in a safe and transparent way to benefit people – to save millions of hours of time and enable their access to millions of dollars. Many other key corporate entities collect and hold rich data and there may be numerous opportunities for partnerships in the analytics sharing space to benefit the community.

The potential benefits of working together go beyond faster policy response times, empowering individuals and saving them time and money. They extend to greater economic and social benefits, among which is improving the transparency and accountability of governments and partners for improved public trust.

Now may be an opportune time to build on sharing data insights, as the COVID-19 pandemic has meant more people than ever are aware of and attentive to service implementation, and policy makers continue to seek the best evidence to support their decision-making.

Understanding the links between health and welfare

The COVID-19 pandemic has further highlighted the close links between health and welfare. While there is keen interest in the direct health impacts of the pandemic, there is also a strong interest in its broader impacts on wellbeing. The pandemic was associated with large falls in employment in early 2020 and employment is an important determinant of wellbeing. In addition the various restrictions on activity mandated by the pandemic have been associated with psychological distress and loneliness.

Given the need for timely representative data under COVID-19, the AIHW collaborated with the Centre for Social Research and Methods at the Australian National University to include questions on loneliness and levels of psychological distress in the ANUpoll surveys, which collect data from the Life in Australia™ Panel, managed by the Social Research Centre. Importantly, this panel exclusively uses random probability-based sampling methods and covers both online and offline populations (that is, people who do and do not have access to the internet). In addition, as a panel it is possible to obtain longitudinal data from the same respondents prior to the spread of COVID-19, which provides richer information than a series of cross-sectional snapshots. Data from these surveys are included in 'Chapter 3 The impact of COVID-19 on the wellbeing of Australians'.

A person's health and welfare are closely associated. Both determine an individual's ability to fully participate in work, education and training, as well as to engage with their community and its social networks.

On many measures, Australians enjoy good health and welfare. Australians have one of the highest life expectancies in the world as well as years of life lived in full health. The majority of people rate their own health and life satisfaction highly.

Nevertheless, disparities in health and welfare outcomes do exist, particularly for some population groups. It is important to identify these groups as well as the reasons for these disparities. They can be caused by:

- poor outcomes in education, employment, income and housing that can adversely affect health and wellbeing more generally
- participation in behaviours known to cause poor health and welfare, such as tobacco smoking, high levels of alcohol consumption and drug use
- the impact of personal and social behaviours, such as bullying and school truancy, family breakdowns and a lack of social connectedness
- poor access to appropriate health and welfare services.

Some of Australia's health and welfare services are designed to support everyone in the population; others act as a safety net for those in high need. In broad terms:

- the health systems play a role in preventing and treating disease and other ill health and injury.
- the welfare systems support individuals and families with particular needs with a range of government payments (such as income support payments, family assistance payments and other supplementary payments) and by providing a variety of programs and support services, including for child protection, disability support, housing and homelessness, and aged care.

For the most part, welfare systems support people in immediate need. But the objectives of government services in general, especially in education and training, are often to improve the social and economic outcomes for individuals over the longer term. Some programs and services attempt to provide the best possible start in life for all children, with additional support for families and children in need. This focus on early intervention can reduce the future need for additional support.

The age structure, composition and characteristics of the Australian population influence what sort of health and welfare services are needed, when they are needed and for how long and how often. So, the monitoring of changes in the current and emerging population is particularly important to the provision of efficient and effective services. Good-quality and timely data on all Australians form an important part of the evidence base needed to do this.

Key population groups for welfare services

Key population groups with immediate and possible future need for welfare services include:

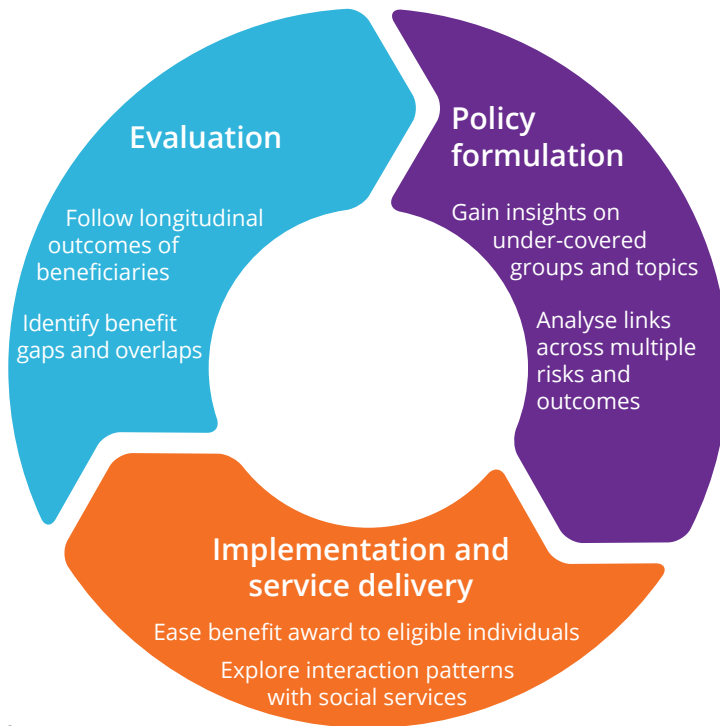
- young children and families: to prevent the intergenerational transmission of disadvantage to children and young people in vulnerable circumstances
- people with disability: the National Disability Insurance Scheme (NDIS) is a key service for this group but both NDIS recipients and the broader group of people with disability also require access to the full range of mainstream welfare services
- older people: of particular importance is how to provide services that allow older Australians to remain in their homes for as long as possible, with appropriate supports
- those likely to experience economic and social hardship, including a disproportionate number of Aboriginal and Torres Strait Islander people, refugees and ex-prisoners
- people who have experienced intergenerational trauma, including Stolen Generation survivors and descendants
- those who are homeless or at risk of homelessness, including victims of domestic and family violence
- those who live in regional and remote Australia, where access to services can be limited
- the long-term unemployed: young people not engaged in education, employment or training; and people on long-term income support
- people who have experienced chronic long-term disadvantage.

Capture of information about these population groups, either through directly asking people at point of service or through data linkage, is important if we are to design policies and services that meet their needs.

Current state of welfare data

High-quality and comprehensive data are critical to inform policy, the delivery of services and the evaluation of services. Better data can help to improve policy formulation and service delivery and so improve outcomes – Figure 1.1 highlights this role.

Figure 1.1: Role of data in policy and service delivery



Source: OECD 2019.

Data from non-government organisations

While people have more access to data than ever before, some areas of the Australian data system could still improve. One area where data are sometimes lacking is from non-government organisations (NGOs), including where they are providing services funded by government. Issues with NGO data are not just the responsibility of the NGOs themselves. At times, government agencies ask NGOs to report using requirements that are unique to that agency or specific funding program. This can cause a lack of agreed terminology in the sector and an increase in the reporting burden on NGOs.

In the case of specialist homelessness services (which are NGOs), consistent data are collected across Australia through the AIHW's Specialist Homelessness Services Collection. This type of standardisation of NGO data is a notable gap in several other settings, such as mental health, aged care and family, domestic and sexual violence services.

Mental health

In its 2020 report on mental health, the Productivity Commission reported that little data are collected on NGO activity and performance (Productivity Commission 2020). Furthermore, it noted that, without adequate data on NGO services, it is impossible to monitor, effectively evaluate and research, or plan for mental health care that the NGOs provide. The Commission mentioned that the AIHW has developed the Mental Health Non-government Organisation Establishments national minimum data set but that this has been adopted only by Queensland and Western Australia.

Aged care

Most aged care providers in Australia are NGOs; however, the Royal Commission into Aged Care Quality and Safety (Commonwealth of Australia 2021:76) noted that:

It remains difficult for people to make informed decisions about aged care services they are likely to receive. Similarly, the Australian Government needs access to comprehensive data to assess the performance and impact of services provided to older people, yet the available information is often surprisingly limited. Difficulties in obtaining reliable information limits the scope for aged care providers to benchmark their performance against their peers, and prevents the community at large from holding governments and service providers to account for the quality of the care they deliver.

Improved data and evidence was the subject of several recommendations in the Royal Commission's final report and in the Australian Government's response to that report. The AIHW will play an important role in improving data from the aged care sector.

Specialist family, domestic and sexual violence services

NGOs are also the main providers of specialist family, domestic and sexual violence (FDSV) services. These services respond specifically to family, domestic and sexual violence and can include crisis support services, counselling, and family violence outreach services. Currently there are limited national data about access to, and impact of, these specialist services, and the extent to which they provide coordinated responses for victims and perpetrators (AIHW 2019). In response to this gap, the 2021 report of the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into family, domestic and sexual violence recommended the development of a national data collection on FDSV specialist services.

Various options for the collection of these data exist, including an approach similar to that used for the AIHW's Specialist Homelessness Services Collection which has been developed through rigorous and extensive stakeholder consultation and has overlap with specialist FDSV services, as some specialist homelessness agencies also provide specialist FDSV services. As part of 2021 Federal Budget commitments, plans are underway for the AIHW to lead this data improvement work, in collaboration with state, territory and commonwealth government agencies.

Data linkage

Data linkage is another area with some room for improvement. Data linkage combines information on the same individuals from multiple data sources, while preserving their privacy. It is a cost-effective and non-intrusive way to build longitudinal data assets, and the mechanisms to protect privacy continue to be enhanced. Although the amount of linked data continues to grow, the linkage of data across the different welfare services, and between health and welfare services, is limited.

Linking such datasets would help to better understand welfare pathways and the relationships between health and welfare. Currently, there is also limited linkage of datasets on welfare services with outcomes such as employment, education and income. Linking administrative datasets enables a much better understanding than is possible by looking at individual datasets in isolation. Data linkage is not new. The AIHW has been linking mortality data with data on the incidence of cancer to estimate cancer mortality rates since 1990; however, the complexity and scale of data linkage projects has expanded substantially in recent years.

Data linkage initiatives

Western Australia led the way in data linkage in Australia through the WA Data Linkage System (WADLS) – a system of linkages within and between health and non-health data collections in the state. Since its inception in 1995, and as reported on its website, the WADLS has 'grown to become one of the most comprehensive, high quality and enduring linkage systems worldwide. Today it contains over 150 million records spanning over 50 routinely linked datasets'. New datasets are imported and linked on a regular basis, including hospitalisations, emergency attendances, births, deaths, electoral enrolments and a variety of other health and non-health information.

For more information on the WADLS, see <https://www.datalinkage-wa.org.au/data/wa-data-linkage-system/>.

Other jurisdictions, including Victoria and New South Wales, are also forging ahead with data linkage initiatives. The AIHW, along with the Centre for Health Record Linkage (CHeREL) in New South Wales, the Centre for Victorian Data Linkage, Data Linkage Queensland, the Western Australian Data Linkage Branch, the SA-NT Datalink and the Tasmanian Data Linkage Unit are all part of the Population Health Research Network (PHRN), which is designed to bring together existing data from around Australia and make the resultant linked data available for important research.

The ABS is another leader in data linkage through, for example, the Multi-Agency Data Integration Project (MADIP) for people data and the Business Longitudinal Analysis Data Environment (BLADE).

While data linkage is one of the most exciting developments for data in Australia, linkage projects can be time consuming. It is not hard to find examples where it has taken researchers years to access relevant data because of multiple ethical clearances and delays in data provision. That being said, there have been major improvements in recent years through the development of more enduring linkage approaches using linkage keys. As an example, the Victorian Government is developing the Victorian Social Investment Integrated Data Resource (VSIIDR) which is an enduring person-centred dataset to be used for health and social policy research purposes.

Data linkage challenges and possibilities

Linking Australian Government data with state and territory data can be time consuming and could be made more efficient. This is a pressing issue as it is not possible to fully understand many service systems in Australia without linking these data. For example, the states and territories have access to their own hospital data; however, to understand how people use the health system, these data should be linked with Medicare data to better appreciate how people use both primary and tertiary health services. This is why the AIHW created the National Integrated Health Services Information Analysis Asset (NIHSI AA), which brings together de-identified data on hospital admissions, the use of MBS and PBS services aged care and mortality. This asset enables a much better understanding of how people use health services than is possible by looking at individual datasets in isolation.

There are many more examples in which a much better understanding of service systems and how people use services could be gained by regularly linking Australian Government and state and territory data.

- In the housing sector, the states and territories have access to data from homelessness services and social housing but Commonwealth Rent Assistance data is also very important. If de-identified rent assistance data were regularly linked with state and territory data, a much more informed understanding of housing policy and its impacts would be possible.
- While homelessness services data include data on housing outcomes, linking these data with data on social housing and rent assistance would provide a richer picture of what happens when people leave homelessness services. For instance:
 - How long do those who move into social housing stay in this form of housing?
 - How many of those who are still homeless when they stop using homelessness services later move into either community housing or the private rental market? (The answer to this question could be partially gauged with rent assistance data.)

Regularly linking data across Australian Government and state/territory boundaries also has the potential to dramatically improve information available about key population groups, such as people with disability, by enhancing information about their access to specialist and mainstream services, pathways through those services and outcomes. The National Disability Data Asset (NDDA), currently in pilot, has demonstrated that it is possible to bring together a large number of datasets for this purpose. Research findings from the pilot test cases will be available in late 2021. Learnings from the pilot will inform options for an enduring asset, including priority data for inclusion, data integration models, approved uses of the NDDA and asset governance models.

Sources of welfare data

Welfare services are provided by the Australian Government, state and territory governments and NGOs – both for-profit NGOs and not-for-profit NGOs. National data have long been collated across certain service sectors in Australia (for example, disability, drug and alcohol treatment, child protection). But these data may not have been collected consistently and so are not comparable over time or cannot be compared with data from another service provider. This constrains the evaluation of outcomes for people who receive the services across these sectors (and of the effectiveness of different services) and for individuals who receive services from different providers or in different jurisdictions. These service data relate only to those people using the services and do not answer questions which relate to the level of unmet demand or barriers to access.

As well as data collected from welfare services, Australia has a large population survey program, predominantly delivered by the ABS. These surveys provide a wealth of cross-sectional information on the characteristics of potential welfare service users and their experiences (for example, difficulties of access), which can help to provide insights into need based on prevalence estimates.

Australia also has several longitudinal datasets on welfare. Examples include the Household, Income and Labour Dynamics in Australia (HILDA) Survey, the Longitudinal Study of Australian Children (LSAC) and the Longitudinal Study of Indigenous Children (LSIC). These 3 studies are managed by the Department of Social Services' National Centre for Longitudinal Data (see www.dss.gov.au/about-the-department/national-centre-for-longitudinal-data). While Australia has a good range of longitudinal surveys, the use of linked longitudinal administrative data could be expanded.

Data for measuring progress

Evaluations of welfare programs and measuring progress against indicators are necessary to understand and improve outcomes.

A lack of high-quality evaluation restricts the opportunity to improve services and outcomes for individuals. Much of the evaluation work undertaken to date has been short term or piecemeal, which has limited an understanding of which programs work best to improve outcomes for persons most in need. Having better linked, enduring, longitudinal administrative data would facilitate better and more cost-effective evaluations.

Measuring the progress of welfare outcomes, particularly as they relate to health and welfare services, requires consistent measurement against agreed indicators over time. There are opportunities to embed policy evaluation in national plans and agreements that specify performance measures. Given the development of linked and longitudinal data, there is potential to improve the indicators selected for these purposes so that they support more holistic, outcomes-oriented reporting.

The outcomes of programs that aim to bring about changes over a long period of time, or over a generation, cannot be observed while such a program is still in operation. Early childhood education is a good example: some of the main benefits of early childhood education are not apparent until participants are teenagers. But it is possible to observe the subsequent impact of such programs and policies through data linkage, where the individuals who received the service as children are again observed later in their lives.

In Australia, individual states and territories are taking steps to improve the way they build and use data to improve the long-term outcomes for children. An example is the Murdoch Children's Research Institute's Generation Victoria (GenV) research project (see www.genv.org.au for more information). The project, which is open to all Victorian-based babies and their parents, is designed to answer questions on major issues they face today and in the future, including pre-term birth, mental health and illness, obesity, learning, and allergies.

Key gaps in welfare data

Gaps in welfare data exist, where no national data are currently available or where data collected are not comprehensive enough. In the context of welfare data, these gaps include:

- an inability to measure unmet demand for services – for example, those turned away from welfare services, people who 'fall through the cracks' in the welfare system
- a lack of detail on the types of welfare services accessed – for example, supports provided under consumer-directed care models for aged care or services funded by NGOs
- an inability to follow people through the numerous pathways in the welfare systems – for example, the education and employment experiences of vulnerable people as they transition between different services and across different 'systems'
- the long-term effects on individuals and their families of poverty, homelessness or unemployment as well as the intergenerational transmission of risk factors
- an inadequate understanding of risk factors – for example, the causes of homelessness
- the populations of interest for whom information is sparse – for example, Indigenous people who use mainstream services; identifying people with disability and other vulnerable cohorts in data collections
- the geographical location of people of interest – for example, information is often not available on remote Indigenous communities and on locational variation in welfare services and outcomes.

AIHW's role in creating and reporting on evidence

The AIHW is Australia's leading health and welfare statistics agency. Its legislated role is to work with others to develop information standards and collections across health and welfare, and to publish statistics across these areas. It works closely with governments – including state/territory authorities with health and welfare responsibilities, the ABS and other statistics agencies – and with the academic and non-government sector to make this happen.

The AIHW collects and uses data from a range of sources – including from administrative, survey, longitudinal and linked sources as well as from the Census of Population and Housing – to present information on:

- the characteristics of people and their health and welfare needs, and how these change during their lives
- how the health and welfare needs of people differ depending on where they live
- the availability and accessibility of health and welfare services in those places
- how service use changes over time.

The AIHW provides regular information on the health and welfare of the Australian population to assess how outcomes are changing over time. It also provides information on the health and welfare of particular groups, and on how they fare relative to the rest of the population. These population groups include Indigenous people; Australians who live in remote areas; veterans; older Australians in the aged care system; and Australians with disability, mental illness, in the child protection and justice systems, or who are prisoners.

The AIHW validates and standardises the data to allow comparisons to be made between different population groups, different places, and over time.

Where possible The AIHW presents information at the local geographical level, where services and programs are delivered, aiming to assist local decision-makers with planning and policy decisions. The analyses it undertakes highlight areas and groups where program and service delivery efforts should be directed to meet the greatest numbers and the greatest needs.

The AIHW recognises the importance of linked datasets in understanding the relationships between health and welfare outcomes for people. To that end, it is working to expand the availability of longitudinal data by linking the cross-sectional data on individuals that occur in different datasets and over time. Among other things, this approach allows the study of the different pathways people use to access services throughout their lives and can identify those that are most common. It also allows an understanding of whether particular services improve outcomes for individuals over time. This approach may also be useful in identifying the early signs of vulnerability to disadvantage that occur later in life.

All linked datasets used for analysis at the AIHW comply with legislative and regulatory standards, are securely stored and accessed, and meet ethical standards and community expectations. Protocols are in place to prevent privacy breaches or the unauthorised identification of individuals, and to ensure data security and restricted access to information.

A key priority is to build capacity among service providers and to support them in understanding and using health and welfare data. To this end, the AIHW provides secure, accurate, reliable and comparable data to a range of service providers so they can use the data to improve service delivery and outcomes for their clients.

The AIHW strives to make its data and findings accessible to a range of audiences through the release of many products, including summary and detailed reports. It has improved accessibility to information through interactive data visualisation. A significant effort is being directed towards creating more data-driven websites (see, for example, GEN Aged Care Data at www.gen-agedcaredata.gov.au and the suicide and self-harm monitoring website at www.aihw.gov.au/suicide-self-harm-monitoring).

The AIHW will soon launch a new website (Regional Insights for Indigenous Communities) (Box 1.3), which will make it easy to find the regional statistics on a wide range of topics related to Indigenous people and their health and wellbeing that are most important to any community or location of interest.

For more information on the AIHW's current and forthcoming websites, see Box 1.3.

Box 1.3: Selection of key AIHW websites

Suicide and Self-harm Monitoring System

This system, established by the AIHW in collaboration with the Department of Health and the National Mental Health Commission, has improved the accessibility, timeliness, quality and breadth of data available to help identify trends in suicidal and self-harming behaviours and in other emerging areas of concern, and to inform responses. The system comprises several interrelated activities:

- a regularly updated website that presents interactive data visualisation and geospatial analyses of data on suicide deaths and on hospital admissions for intentional self-harm, together with data from the Australian Burden of Disease Study and the National Ambulance Surveillance System developed as part of this project by Turning Point (Monash University)
- work with states and territories to develop the data capture and reporting capabilities on suspected suicides referred to coroner's courts through suicide registers. The existing suicide registers began reporting data on suspected suicides to the AIHW in April 2020 for weekly, then fortnightly, reporting to National Cabinet. A key goal of this project is to establish suicide registers in all jurisdictions
- the development of a secure state and territory information portal to allow sharing of more detailed and potentially sensitive data on suicide and self-harm among jurisdictions
- the modelling of linked data through the MADIP and the NIHSI
- the commissioning of research through collaborating academic institutions such as the Australian National University, Flinders University, Griffith University and The University of Melbourne.

Regional Insights for Indigenous Communities website

This website, which is soon to be launched, will present data and statistics on Indigenous people and their health and wellbeing in accessible and easy-to-use dashboards, with maps and other visualisations. It will include statistics provided by the ABS's Indigenous Regions and, when the robustness and coverage of data allow, by lower-level geographic areas as well. The website will make it easy for users to find regional statistics that are most relevant to their communities of interest through a custom-made search function that matches locations to regions.

continued

Box 1.3 (continued): Selection of key AIHW websites

Indigenous Mental Health and Suicide Prevention Clearinghouse

This website was released in July 2021. Its objectives are to:

- improve the evidence base of what works and does not work relating to Indigenous mental health and suicide prevention, including identifying gaps in the evidence
- improve access to key information by collating the emerging research, evaluation, program and policy initiatives, and evidence from these initiatives
- encourage collaboration between researchers and reduce the chance of duplication in research activity, thereby promoting a more coordinated research and evaluation effort.

Content of the Clearinghouse will be regularly updated, with additional publications, data, research and evaluation material, and with news and events added as they become available. The Indigenous Mental Health and Suicide Prevention Clearinghouse website is available at <https://www.indigenoumhspsc.gov.au/>.

A key objective of the AIHW is to fill data gaps as they relate to health and welfare, and to work with data providers to enhance existing collections or to create new ones. One of the key recommendations of the Royal Commission into Aged Care Quality and Safety (Commonwealth of Australia 2021) was to create an aged care national minimum data set and improve data on the interaction between the health and aged care systems. This includes improving the availability of health and aged care data for monitoring, planning and funding purposes.

Another Royal Commission – the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability released its Interim Report in October 2020. A key theme of this report is the lack of useful, and nationally consistent, data on the extent of violence against – or abuse, neglect and exploitation of – people with disability, especially among those who are more vulnerable. The report also notes that there are no public data relating to particular settings such as schools, residential out-of-home care, the youth and criminal justice systems and specialist disability accommodation or segregated work environments (Commonwealth of Australia 2020).

Increasingly, data gaps are filled by creating new linked datasets and facilitating access to linked or other data in secure research environments. The National Integrated Health Services Information Analysis Asset and the National Disability Data Asset are key enduring data linkage projects that aim to rectify these significant gaps.

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2

Social determinants of subjective wellbeing

By Dr Ferdi Botha, The University of Melbourne and Associate Professor Wojtek Tomaszewski, The University of Queensland

2. Social determinants of subjective wellbeing

This chapter provides an overview of the recent literature on the social determinants of subjective wellbeing in Australia, and an empirical analysis of recent data from the Household, Income and Labour Dynamics in Australia (HILDA) survey.

- It starts with a brief discussion of the conceptualisations and main components of subjective wellbeing as a construct, before focusing on 'life satisfaction' as an outcome of particular interest, given its prevalence in empirical studies on subjective wellbeing in the Australian literature.
- It then proceeds by reviewing evidence on the social determinants of life satisfaction identified in previous Australian studies, including financial factors, education, employment, health, family dynamics, social networks and locational factors. The focus is on studies relevant for the general population of working age people, though touching briefly on how wellbeing changes as people age and across stages of the life course.
- Lastly, the HILDA survey is used to interrogate the factors identified in the literature, using recent longitudinal data; such analyses are generally more robust from a statistical point of view, allowing a move beyond point-in-time associations. Specifically, the survey data are used to assess the relative strength of the association between the key social determinants of wellbeing, identified through the literature review, and life satisfaction. The findings are discussed in the context of international evidence on social determinants of subjective wellbeing.

Although broader factors, such as economic shocks or the environment, can also affect subjective wellbeing, the focus of this chapter is on 'social determinants' of subjective wellbeing in Australia – that is, on family-level factors that people can (at least in principle) shape or control to some degree. There is no focus on 'ascribed' attributes of individuals, such as sex, race, or personality traits, albeit some discussion on how social determinants of wellbeing may interact with some of these traits. (In particular, the analyses of life satisfaction conducted for this chapter are stratified by sex; hence, the results from the entire population approach taken could differ slightly among other subgroups, beyond these analyses of sex.)

This chapter highlights the importance for life satisfaction of social interactions with friends and family, and of involvement in clubs and associations. The nature and quality of engagement with other people is a critical determinant of subjective wellbeing. Other factors such as employment play an important role, too, with unemployed people reporting notably lower life satisfaction than employed people, controlling for other factors. Mental health is also critically important, as this chapter highlights; on average, it has a greater impact on life satisfaction than physical health.

Literature review

Subjective wellbeing is part of a broader concept of wellbeing, which is a complex, multifaceted construct, defined as optimal human experience and psychological functioning (Ryan & Deci 2001) and encompassing both subjective and objective components (Western & Tomaszewski 2016). Subjective wellbeing captures subjective experiences associated with objective wellbeing components and is commonly assumed to comprise both affective components (positive and negative affect, such as happiness and unhappiness) and cognitive components (satisfaction with life in general, or with its specific domains) (Diener et al. 1999). Research on the cognitive aspect of subjective wellbeing – and on life satisfaction specifically – has been particularly prominent. For the purpose of this chapter, the focus is on ‘life satisfaction’ as the outcome of interest and, unless otherwise stated, subjective wellbeing refers to ‘life satisfaction’.

Life satisfaction (captured in surveys through a question about ‘satisfaction with life in general’) is one of the most studied components of subjective wellbeing and includes an individual’s overall evaluation of their life. Surveys eliciting information on life satisfaction generally ask respondents to indicate on a discrete scale, such as from 0 to 10, how satisfied they are with their lives in general. Sometimes studies also ask the respondents to rate their satisfaction with particular domains of life, such as health, finances or housing. These domain-specific indicators of satisfaction can be aggregated to approximate an overall level of the respondent’s satisfaction with life.

Social determinants of subjective wellbeing

A range of factors have been identified in previous Australian studies as being social determinants of life satisfaction.

Financial factors

The role of financial factors in determining subjective wellbeing has featured prominently in empirical studies on the topic. While income is considered to play a relatively modest role in shaping individuals’ subjective wellbeing (for example, Lucas & Dyrenforth 2006), wealth is considered to be an important determinant (Headey & Wooden 2004). An interesting strand of research suggests that, rather than the amount of money per se, what may be more relevant is how people spend their money. Specifically, it has been argued that conspicuous (that is, visible and positional) spending increases life satisfaction, particularly when individuals use it to differentiate themselves from others in their reference group (Wu 2020).

Others have argued that spending money on experiences rather than possessions (Van Boven & Gilovich 2003) or on other people rather than themselves (Dunn et al. 2008) can drive improvements in one’s subjective wellbeing.

Education

Education has also been shown to have substantial association with subjective wellbeing, although the relationship is rather complex. Specifically, some studies point to positive effects (for example, Blanchflower & Oswald 2004; Easterlin 2001; Ferrer-i-Carbonell 2005) while others suggest a negative association between education and subjective wellbeing (Clark 2003; Dockery 2010; Headey & Wooden 2004). The negative association often observed empirically has been attributed to higher expectations among those with higher levels of education (Kristoffersen 2018; Perales & Tomaszewski 2016; Tomaszewski & Perales 2014). However, notwithstanding these different findings, education is thought to have an overall positive effect due to its indirect positive effects on subjective wellbeing through improved income and better health (Powdthavee et al. 2015).

Employment

Several factors related to the domain of employment have been associated with subjective wellbeing. Having a job is associated with improved subjective wellbeing, relative to unemployment, particularly if the job is of high quality (Dockery 2003; LaMontagne et al. 2016). Employability is seen as a protective factor for subjective wellbeing, even among those unemployed. For instance, it has been shown that higher self-assessed employability can markedly reduce the detrimental effect of unemployment on subjective wellbeing (Green 2011).

Health

A solid body of evidence documents the impact of health on subjective wellbeing. Specifically, a number of studies report associations between poor physical health and lower wellbeing (Dolan et al. 2008; Heybroek et al. 2015; Kendig et al. 2016), and the relationship is thought to be bidirectional (Steptoe et al. 2015). Specific findings include the negative effects of chronic pain on life satisfaction (McNamee & Mendolia 2014) and the associations between different forms of disability and different aspects of subjective wellbeing (Fraire 2019).

Mental health has also been shown to be a particularly important driver of subjective wellbeing (Clark et al. 2019), although studies in this area often consider mental health as an outcome measure parallel to wellbeing, rather than as a determinant of wellbeing (see, for example, Churchill & Smyth 2019; Green 2011; LaMontagne et al. 2016; Wooden & Li 2014).

Family dynamics

There is extensive evidence on the impact of family dynamics on subjective wellbeing. Married individuals (both men and women) experience higher levels of life satisfaction than those in other family arrangements (Evans & Kelley 2004). As well, transitions into relationships, marriage or cohabitation have been shown to significantly increase wellbeing, while transitions out of relationships due to separation or widowhood negatively affect wellbeing (Baxter & Hewitt 2014).

While the evidence appears very consistent for relationships, the results are mixed when it comes to having children. Some studies report positive, albeit weak, effects of parenthood on subjective wellbeing (for example, Kohler et al. 2005), but the majority of research points to either non-significant or negative effects (Clark & Oswald 2002; Clark et al. 2008). However, it has been argued that childbearing negatively affects subjective wellbeing only when parents, and mothers in particular, face substantial work-family conflict (Matysiak et al. 2016).

Social networks

Social networks constitute another key factor identified in the literature on subjective wellbeing. Formal and informal social networks (Bian et al. 2018; Prakash et al. 2020) that manifest in increased frequency of social contacts (Dolan et al. 2008), social participation in clubs or organisations (Tomaszewski 2013), social connectedness (Ambrey et al. 2017) and better social support (Shields et al. 2009) have all been found to be positively associated with subjective wellbeing.

Location

Another key dimension associated with subjective wellbeing is location, encompassing geographical context (Wang & Wang 2016); neighbourhood characteristics and crime rates (Mahuteau & Zhu 2016; Shields 2009); and physical aspects of the local area, such as the presence of green spaces (Ambrey & Fleming 2014) and protected areas (Ambrey & Fleming 2012). All of these factors, sometimes subsumed under the term 'living environment' (Tomaszewski 2013), have been shown to have an impact on individual subjective wellbeing.

Life course perspective

Studies of wellbeing have also pointed out the importance of the life course perspective, which recognises the cumulative effects of previous life events and experiences and trajectories over time on individual outcomes. For example, Kendig and others (2016) demonstrated the effect of earlier events and exposures (including early in life) on wellbeing outcomes later in life. Changes in life satisfaction across various life stages and transitions have also been well documented (Qu & de Vaus 2015). At a minimum, this body of research highlights the importance of controlling for age (as a proxy for life course stage) in empirical models.

Empirical analysis

In this section, data are presented on life satisfaction in Australia based on HILDA survey data from 2001 to 2019. How life satisfaction in Australia has changed over the last decade is described; then its associations with the key social determinants of subjective wellbeing identified in the literature review are examined.

Data and variables

The relevant wellbeing question in the HILDA survey asks respondents: 'All things considered, how satisfied are you with your life overall?', with responses ranging from 0 (completely dissatisfied) to 10 (completely satisfied). Higher (lower) numbers imply higher (lower) satisfaction with life.

For this analysis, fixed-effect panel regression models were estimated (with life satisfaction as the dependent variable) separately for men, women and the overall sample. Fixed-effect models are used with longitudinal data where individuals have repeated measures over time; they capture the effects of within-individual changes in predictor variables on changes in the dependent variable. As such, fixed-effect models are able to control for observed as well as unobserved individual characteristics that are constant over time, providing stronger causal estimates. This also avoids the conceptual and methodological difficulties in comparing life satisfaction across individuals, including the fact that different people may evaluate the same objective conditions in different ways due to differences in expectations or previous experiences (compare with Tomaszewski & Perales 2014).

Based on the literature, the main explanatory variables include age and age squared, education, marital status, household equivalised income, whether a person has any children, employment status, frequency of social contact with friends or family, membership of a social or community club, general health, mental health, disability status, and area of residence.

Table 2.1 provides a summary of how each variable is measured or constructed.

Table 2.1: Measurement of variables

Variable	Measurement
Life satisfaction	'All things considered, how satisfied are you with your life overall?' Responses range from 0 (completely dissatisfied) to 10 (completely satisfied), so that higher values imply greater life satisfaction.
Age	Age of the person, in years.
Education	Highest level of completed education: year 11 or below, year 12, Certificate III, IV, Diploma or Advanced Diploma, Bachelor degree or higher.
Marital status	Legally married, de facto relationship, divorced, separated, widowed, never married and not in de facto relationship.
Children	Dummy variable for whether a person has co-resident children.
General health	General health index from the SF-36 measure. Measured from 0 (poor) to 100 (excellent).
Mental health	Mental health index from the SF-36 measure. Measured from 0 (poor) to 100 (excellent).
Disability	Measure of disability severity. An individual is deemed to have moderate or severe disability if the person has a disability that moderately or severely restricts the work they are able to do.
Frequency of social contact	Frequency of in-person contact with friends or relatives who do not live with the respondent. Based on the question: 'In general, about how often do you get together socially with friends or relatives not living with you?' Response categories are 'every day', 'less often than every day but at least weekly', 'less often than weekly but at least monthly', and 'less often than monthly'.
Member of a sporting/hobby/community club	An indicator variable for whether a respondent is an active member of a sport, hobby, or community club.
Real household equivalised disposable income	Real household disposable income adjusted for the number of adults and children in the household. Household income is divided by 1 for the first household member aged 15 or over, 0.5 for each additional household member aged 15 or over, and 0.3 for each child younger than 15.
Employment status	Employed, unemployed, not in the labour force.
SEIFA disadvantage index	SEIFA index of socioeconomic disadvantage. Measured from 1 (most disadvantaged) to 10 (least disadvantaged).
Area of residence	Major urban, non-major urban, non-urban.

Note: SF-36 = a short form health survey developed by the RAND Corporation comprising 36 items measuring quality of life and general health. SEIFA (Socio-Economic Indexes for Areas) = a tool developed by the Australian Bureau of Statistics to rank areas of Australia according to their relative socioeconomic advantage/disadvantage.

Table 2.2 presents summary statistics of the variables, based on the combined HILDA survey data from 2001 to 2019. Average life satisfaction is almost 7.9 on the 0–10 scale, suggesting that an average Australian was very satisfied with their life over the period covered by the study. The average age in the sample for this study is 39, and about three-quarters of the sample have completed at least year 12 education. Roughly 47% are married compared with 27% never married and not in a de facto relationship. Almost 38% of individuals have children, with average general health and mental health being relatively good, at 69 and 73, respectively, on the 0–100 scales. Almost 14% of Australians have disability that moderately or severely restricts their ability to work, with slightly more than half of the people in the sample having social contact with friends or family at least once per week. Just under 36% of the sample report being active members of a sporting or community club, with an average household equivalised disposable income of about \$55,679 per annum. Almost three-quarters of the sample are employed, with 22% not participating in the labour force. Two-thirds of the sample live in major urban areas, compared with almost 12% who live in non-urban areas.

Table 2.2: Summary statistics

Variable	Mean	S.D.	Min	Max
Life satisfaction	7.87	1.437	0	10
Age	39.28	14.265	15	65
Year 11 and below	0.275	0.447	0	1
Year 12	0.166	0.372	0	1
Certificate III, IV, Diploma or Advanced Diploma	0.304	0.460	0	1
Bachelor degree or higher	0.254	0.435	0	1
Legally married	0.473	0.499	0	1
De facto	0.164	0.370	0	1
Separated	0.027	0.162	0	1
Divorced	0.055	0.228	0	1
Widowed	0.012	0.107	0	1
Never married and not de facto	0.269	0.443	0	1
Has children	0.376	0.484	0	1
SF-36 general health	69.383	20.549	0	100
SF-36 mental health	73.261	17.396	0	100
Disabled with moderate or severe work restriction	0.137	0.343	0	1

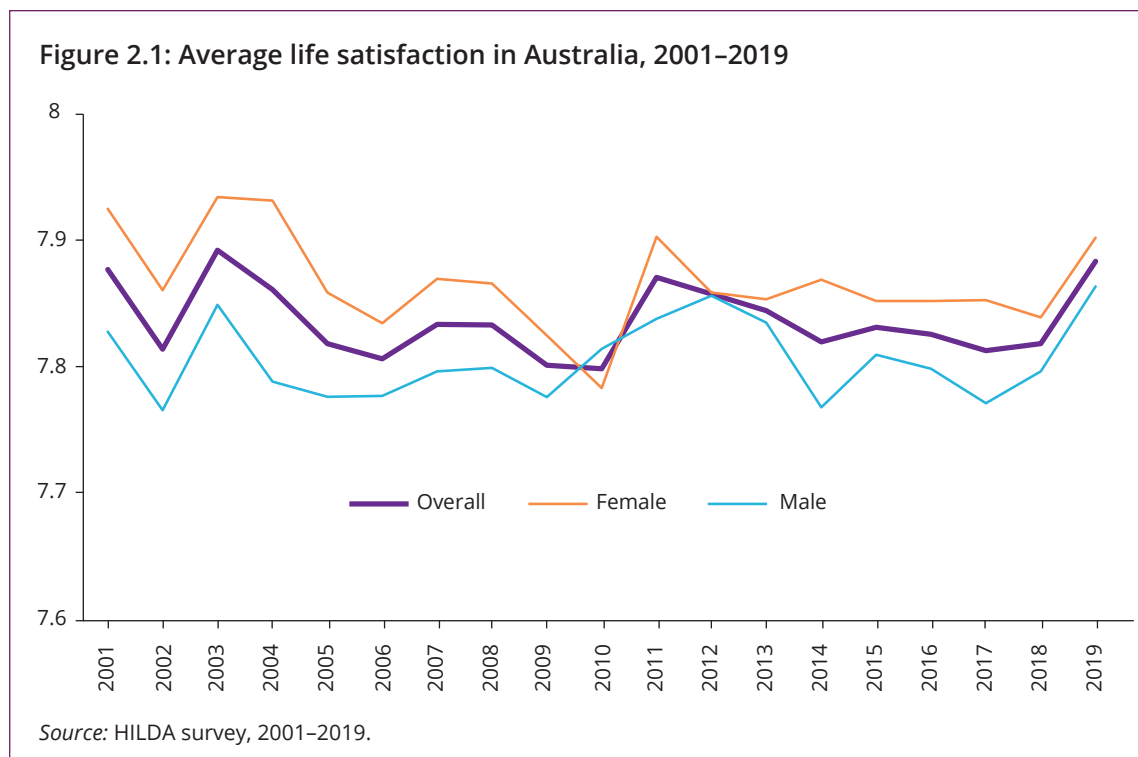
continued

Table 2.2 (continued): Summary statistics

Variable	Mean	S.D.	Min	Max
Social contact: once every 3 months or longer	0.111	0.315	0	1
Social contact: at least once a month	0.302	0.459	0	1
Social contact: at least once a week	0.544	0.498	0	1
Social contact: every day	0.043	0.202	0	1
Member of a sporting/hobby/community club	0.357	0.479	0	1
Real household equivalised disposable income	55,679	34,978	0	868,517
Employed	0.739	0.439	0	1
Unemployed	0.043	0.204	0	1
Not in the labour force	0.217	0.412	0	1
SEIFA disadvantage index	5.652	2.867	1	10
Residence: non-urban	0.118	0.323	0	1
Residence major urban	0.666	0.472	0	1
Residence: other urban	0.216	0.411	0	1
New South Wales	0.289	0.454	0	1
Victoria	0.249	0.432	0	1
Queensland	0.214	0.410	0	1
South Australia	0.092	0.289	0	1
Western Australia	0.093	0.290	0	1
Tasmania	0.033	0.179	0	1
Northern Territory	0.008	0.089	0	1
Australian Capital Territory	0.022	0.145	0	1

Note: N = 210,216. Data are weighted to be representative of the Australian population. SD = standard deviation. SF-36 = a short form health survey developed by the RAND Corporation comprising 36 items measuring quality of life and general health. SEIFA (Socio-Economic Indexes for Areas) = a tool developed by the Australian Bureau of Statistics to rank areas of Australia according to their relative socioeconomic advantage/disadvantage.

Figure 2.1 shows the trend in average levels of life satisfaction between 2001 and 2019 for the overall sample and separately for men and women. Mean life satisfaction has effectively remained stable over the period, averaging between around 7.8 and 7.9 on the 0–10 scale. Except in 2010, women’s life satisfaction is higher than men’s, though these sex differences are very small. On average, when considering whole groups, the trend is flat, even if there might be considerable variation at any one point in time between individuals (see Clark et al. 2008).



Regression results

Table 2.3 reports coefficients from fixed-effect panel regression models, with life satisfaction regressed on a range of individual characteristics as identified in the literature. Results are presented separately for the sample overall, and for women and men. The negative age coefficient, coupled with the positive age squared coefficient, suggests evidence of the well known ‘U-shaped’ association between life satisfaction and age, where life satisfaction is highest during young and older age, and lowest during midlife. The turning points in life satisfaction are calculated to occur at about age 37 (overall), with marked sex differences: the turning point for women is age 30, and 44 for men.

Again, consistent with the majority of literature, higher levels of education are negatively related to life satisfaction. For instance, people with at least a bachelor degree report 0.13 of a point lower life satisfaction than those with year 11 or below. At first glance this may seem counterintuitive; however, these estimates reflect the ‘direct’ impact of education on life satisfaction, while much of the effect is ‘indirect’ – via factors such as higher income and better health. This indirect effect is positive and larger than the direct effect, so the overall effect of education on life satisfaction is indeed positive. This finding is also supported by previous research (Powdthavee et al. 2015) using HILDA survey data, as outlined earlier.

For both men and women, formally married Australians are significantly more satisfied with life than those who are divorced, separated, widowed, and who never married. There are no observable wellbeing differences between married people and those in de facto relationships. There is some evidence that those with children are more satisfied with life than those without children. But this is mainly observed for men; for women, there is no significant relationship between children and life satisfaction.

As expected, better general health and mental health both improve life satisfaction. Importantly, changes in mental health have a bigger impact on life satisfaction than changes in general health. Notably, Clark and others (2019) highlighted the importance of mental health as a predictor of life satisfaction; in fact, they argued that mental health is 'the single most important predictor' of adult life satisfaction – not only in Australia, but also in Germany, the United Kingdom and the United States. Furthermore, having disability is highly detrimental to wellbeing; disabled Australians are much less satisfied with life than those without disability.

Social contact is clearly important for Australians' wellbeing. For example, individuals who have daily social contact with family or friends have between 0.13–0.18 of a point higher life satisfaction than those who have such contact only once every 3 months or less often. Relatedly, Australians who are active members of clubs or associations are more satisfied with life than those who are not.

Unemployment is also detrimental to wellbeing. Specifically, unemployed people report, on average, about 0.16 of a point lower life satisfaction than employed individuals; they also have lower wellbeing than those not in the labour force (by about 0.15 of a point). Consistent with the literature, higher equivalised household income improves reported life satisfaction.

The SEIFA disadvantage index of the area in which people live clearly matters for wellbeing, although this is more the case for women than for men. Life satisfaction is higher for people living in less disadvantaged areas – for example, living in the highest socioeconomic area increases life satisfaction by just over 0.1 of a point compared with living in the lowest socioeconomic area. Another interesting finding is that Australians living in major urban areas are less satisfied with their lives than those who reside in non-urban or rural areas (a difference of about 0.08 of a point).

Table 2.3: Social determinants of subjective wellbeing

Variable	Overall	Females	Males
Age	-0.049*** (0.013)	-0.032* (0.018)	-0.069*** (0.018)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
<i>Educational attainment (Reference category: year 11 and below)</i>			
Year 12	-0.138*** (0.017)	-0.127*** (0.023)	-0.168*** (0.024)
Certificate III or IV, or Diploma	-0.125*** (0.022)	-0.110*** (0.023)	-0.155*** (0.035)
Bachelor degree or higher	-0.131*** (0.025)	-0.105*** (0.033)	-0.199*** (0.039)
<i>Marital status (Reference category: Married)</i>			
De facto relationship	0.000 (0.014)	0.031 (0.020)	-0.031 (0.021)
Separated	-0.533*** (0.030)	-0.449*** (0.040)	-0.638*** (0.046)
Divorced	-0.325*** (0.031)	-0.274*** (0.040)	-0.386*** (0.051)
Widowed	-0.437*** (0.079)	-0.433*** (0.095)	-0.346*** (0.134)
Never married and not in de facto relationship	-0.242*** (0.019)	-0.211*** (0.026)	-0.268*** (0.028)
Children	0.017* (0.009)	-0.009 (0.013)	0.034*** (0.013)
General health (SF-36)	0.009*** (0.000)	0.009*** (0.000)	0.009*** (0.000)
Mental health (SF-36)	0.023*** (0.000)	0.024*** (0.000)	0.022*** (0.000)
Disability	-0.136*** (0.013)	-0.143*** (0.017)	-0.123*** (0.019)
<i>Social contact (Reference category: Once every 3 months or longer)</i>			
At least once a month	0.081*** (0.011)	0.071*** (0.016)	0.092*** (0.015)
At least once a week	0.124*** (0.012)	0.129*** (0.016)	0.119*** (0.016)
Every day	0.152*** (0.018)	0.127*** (0.026)	0.176*** (0.026)

continued

Table 2.3 (continued): Social determinants of subjective wellbeing

Variable	Overall	Females	Males
Active member of sporting or community club	0.043*** (0.007)	0.039*** (0.009)	0.049*** (0.010)
<i>Employment status (Reference category: Unemployed)</i>			
Employed	0.162*** (0.017)	0.143*** (0.024)	0.191*** (0.024)
Not in the labour force	0.149*** (0.018)	0.173*** (0.025)	0.098*** (0.027)
Log household equivalised annual disposable income	0.023*** (0.004)	0.027*** (0.006)	0.019*** (0.006)
<i>SEIFA disadvantage index (Reference category: Decile 1)</i>			
Decile 2	0.033 (0.022)	0.040 (0.030)	0.023 (0.031)
Decile 3	0.035 (0.022)	0.049 (0.030)	0.016 (0.032)
Decile 4	0.060*** (0.022)	0.084*** (0.031)	0.031 (0.032)
Decile 5	0.054** (0.023)	0.082** (0.033)	0.020 (0.031)
Decile 6	0.082*** (0.023)	0.111*** (0.033)	0.046 (0.031)
Decile 7	0.082*** (0.023)	0.111*** (0.032)	0.045 (0.032)
Decile 8	0.104** (0.023)	0.125*** (0.033)	0.076** (0.031)
Decile 9	0.073*** (0.023)	0.096*** (0.033)	0.043 (0.032)
Decile 10	0.106*** (0.024)	0.140*** (0.034)	0.063* (0.034)
<i>Region of residence (Reference category: Non-urban)</i>			
Major urban	-0.078*** (0.026)	-0.067* (0.035)	-0.093** (0.039)
Other non-major urban	-0.010 (0.026)	0.007 (0.034)	-0.033 (0.040)
Number of observations	210,216	111,299	98,971
Within R ²	0.124	0.127	0.121

Note: Results are from fixed effects regression models of the determinants of reported life satisfaction. Robust standard errors are in brackets. Year and state indicators are included but not reported. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Conclusion

Overall, the results confirm the relevance of a broad range of social determinants for subjective wellbeing in Australia. Most of these factors are similarly important for men and women, even though the magnitude of the effects is sometimes relatively small.

Higher incomes and being employed are positively associated with subjective wellbeing. Though the direct effect of education on life satisfaction is negative, education has many indirect advantages (such as higher income and better health) that are positively related to life satisfaction. Social relationships clearly matter for Australians' wellbeing. People report higher life satisfaction if they are married or in de facto relationships, compared with being divorced, separated, widowed or single/never married. Moreover, greater frequency of social contact and membership of community or sporting clubs have positive impacts on subjective wellbeing. Poor health – particularly poor mental health and disability – is detrimental to life satisfaction. Where people live is important as well and, while living in more socioeconomic advantaged areas has a positive impact on wellbeing, people living in major urban areas have lower wellbeing than those in non-urban areas.

The findings point to potential policy interventions that could improve wellbeing for Australians.

- In particular, the finding that the unemployed have lower wellbeing than those employed or those not in the labour force highlights the importance of initiatives both for job creation and for appropriate training and upskilling. For example, previous research suggests that better employability is associated with higher subjective wellbeing, even among those unemployed (Green 2011). Such initiatives are also likely to boost household income, which itself is positively related to life satisfaction.
- Ensuring appropriate opportunities for social contact and interaction – including through revitalising public spaces, particularly in urban areas, and providing support to clubs and community organisations – is likely to further boost wellbeing of the Australian population.

As noted at the start of this chapter, it is emphasised that the analyses for this study were conducted for the entire population and also stratified by sex. It is therefore possible that the results may differ slightly among other subgroups of the population.

Overall, the findings highlight the importance of focusing on inequalities and disadvantage across multiple life domains. Individuals who are socially disadvantaged, such as those who have less education, less wealth, fewer social connections and poorer health will also have lower life satisfaction. Social disadvantage tends to accumulate across different life domains, and such cumulative disadvantage is likely to have cascading effects on subjective wellbeing of the affected individuals. Social policies should therefore pay particular attention to those affected by deep and persistent disadvantage as these are the people who are also particularly likely to suffer from low subjective wellbeing.

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3

The impact of COVID-19 on the wellbeing of Australians

3. The impact of COVID-19 on the wellbeing of Australians

Note that this article was finalised in June/July 2021 and thus concentrates on the first and second major COVID-19 waves in Australia along with the broader impact over that period. At the time of finalisation many new outbreaks were beginning around the country, most notably in Sydney, and it was too early to know how these may develop. These latest outbreaks are not addressed in detail in this article.

Coronavirus disease 2019 (COVID-19) is a disease caused by the new coronavirus SARS-CoV-2. This major health threat has caused an international crisis, leading to substantial disruption to almost all parts of society worldwide.

There are several reasons why COVID-19 has caused such a crisis. Briefly, being caused by a virus not previously seen in humans hence, there was initially no – and now only limited – immunity in the population (now largely from vaccination). It is also highly infectious and affects some people severely. Until the development of vaccines, the only practical way to contain its spread was by travel bans, strict physical distancing policies and practices (such as through closure of non-essential services and keeping a minimum distance from others) and personal hygiene. These restrictions have had a serious impact on economies and societies across the world – with travel; trade; and people’s ability to work, to attend school and to socialise; all affected. The vaccines provide hope that the crisis may be able to be contained, but it is likely that a combination of public health measures and vaccines will be needed for some time to come.

At the time of finalising this article, Australia had fortunately avoided the serious health impacts seen in many other countries, where there have been large numbers of severe cases and deaths, putting a huge strain on health systems, economies and population wellbeing (MacIntyre & Heslop 2020). While detailed information of which specific factors may have contributed to the favourable situation in Australia is not yet available, the early implementation of international travel restrictions and physical distancing measures in combination with one of the highest testing rates in the world have played a key role (Cheng & Williamson 2020).

The pandemic has had a broad range of effects: direct health effects on individuals who contract the virus, along with many indirect effects on the whole community. These indirect effects include the impact of the various national and regional shutdowns aiming to control the spread of the virus.

This article focuses on the direct and indirect impact of the COVID-19 pandemic on the wellbeing of Australia's population during 2020 and the first half of 2021. Positive wellbeing is associated with being comfortable, happy or healthy and can be influenced by a number of factors. Areas of particular interest covered in this article with a potential impact on wellbeing are:

- health (direct and indirect effects such as on mental health)
- income and finance (changes to income)
- employment and work (labour market changes)
- education and skills (impact on preschooling and schooling)
- social support (social isolation and aged care)
- justice and safety (family violence and child protection)
- housing (housing stress and homelessness).

This article concentrates on the impact of COVID-19 on these 7 domains, rather than the role they play in the pandemic. It is acknowledged, however, that some do play a role – overcrowded housing, for instance, increases the risk of the virus spreading.

Several programs were set up during the periods of restrictions to help combat the potential adverse effects of the pandemic, and specific examples are described later in this article. Broader, cross-sector programs were also put in place in various local areas. For example, a number of community driven, 'place-based' responses were shown to be effective in promoting community resilience and recovery (Dusseldorp Forum 2020). These included supporting local service systems, protecting the most vulnerable, giving the community a voice, and keeping people informed.

Health

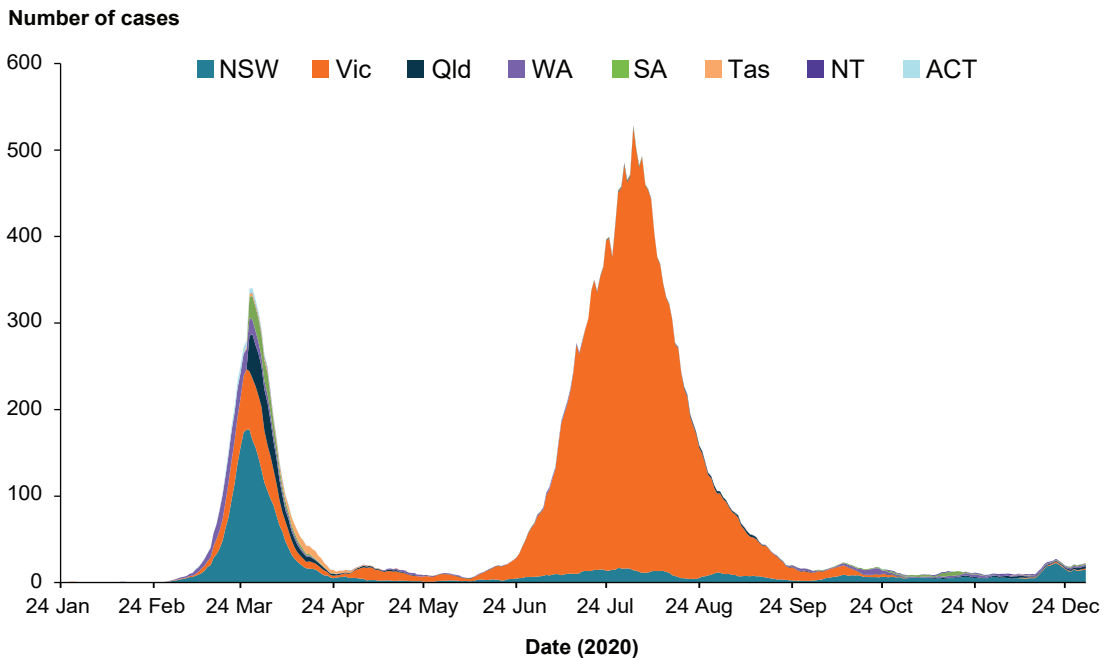
The COVID-19 pandemic has had both direct and indirect health effects. These range from the health effects for an individual with COVID-19, through to the short and longer term impacts of social disruption due to measures taken to contain the virus. Indirect health effects are wide ranging and include impacts on mental health, family violence, health care for other conditions and health behaviours. For some people there have been positive changes, but for many others there have been numerous challenges. Challenges arising from the indirect health effects of the various shutdowns were foreshadowed (Ait Ouakrim et al. 2021 [preprint]), which is why governments implemented several mitigation strategies to reduce any potential impacts.

Direct health effects

COVID-19 cases

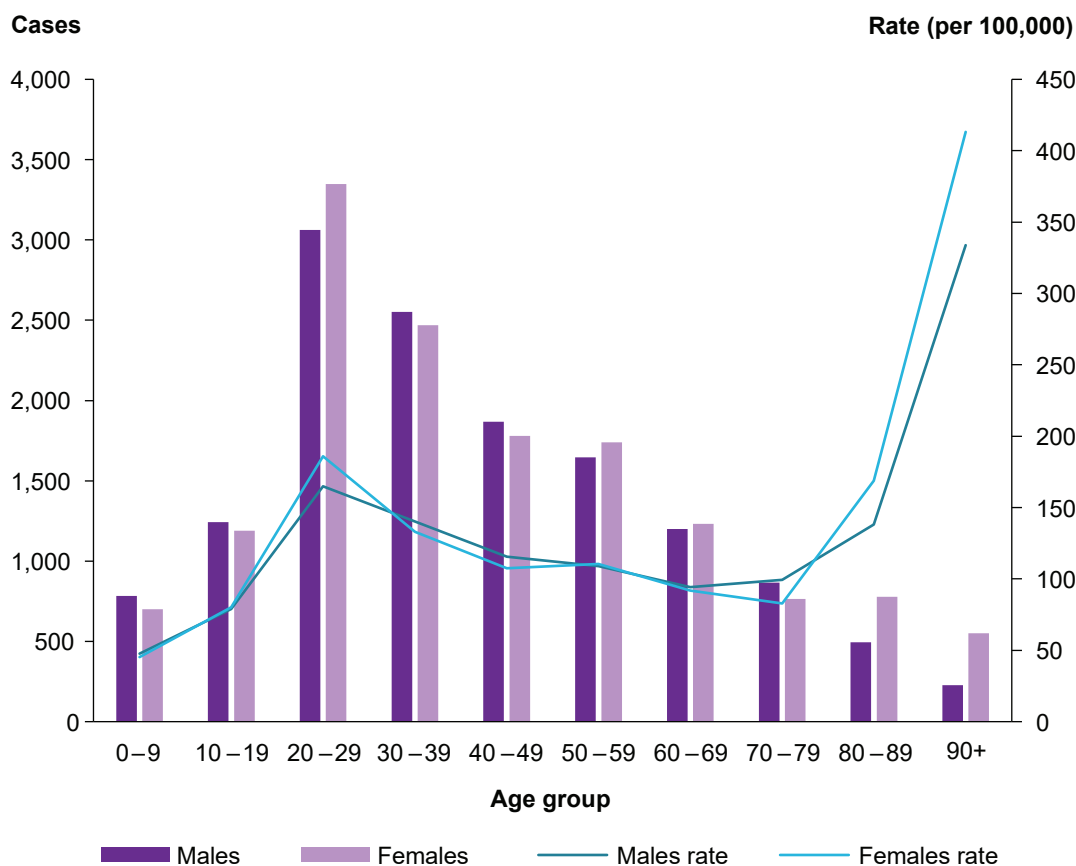
During 2020, there were around 28,500 cases of COVID-19 in Australia (AIHW 2021e). As is the nature of infectious diseases, outbreaks occur at different times and in various locations. In Australia in 2020, there were 2 distinct peaks (or 'waves') in the number of cases (Figure 3.1) – one in March/April and one lasting from June to September. The 2 waves had similar peaks but the second one lasted quite a bit longer. The first peak affected nearly all states and territories (with the largest number of cases in New South Wales) while the second one affected Victoria almost exclusively. Over the year, the largest proportion of cases were in Victoria, followed by New South Wales. The first wave was dominated by overseas-acquired cases, while the second was nearly all locally acquired (AIHW 2021e).

Figure 3.1: Cases of COVID-19 in 2020, 7-day moving average, by state and territory



The number of cases differed by age group, but less by sex (Figure 3.2). The largest number of cases occurred among people in their 20s and 30s. In contrast, much higher rates occurred in the oldest age groups, largely due to outbreaks in residential aged care in Victoria during the second wave.

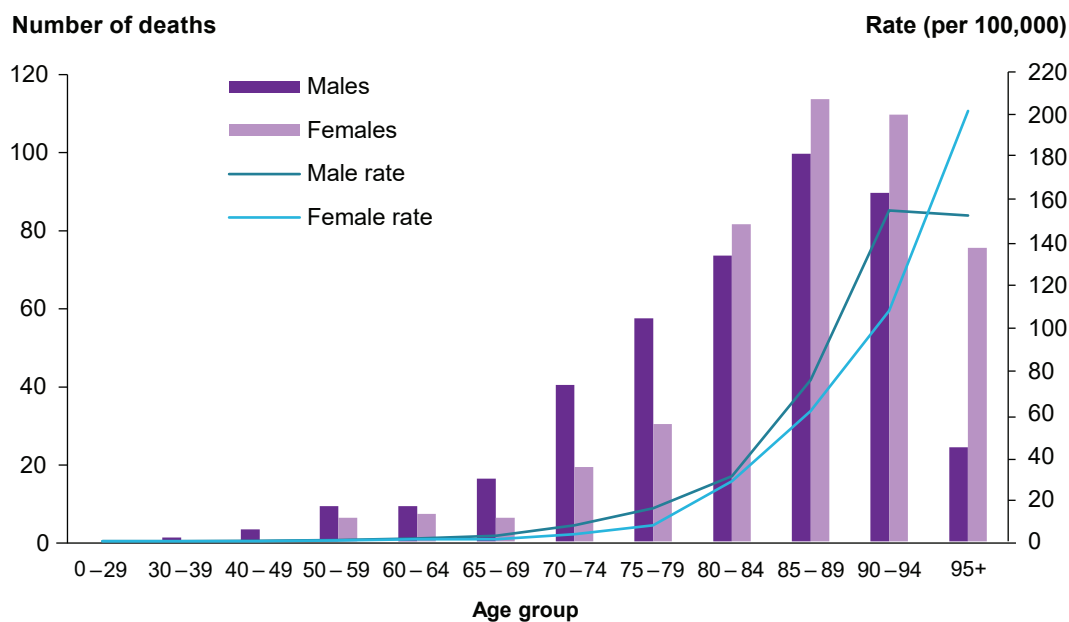
Figure 3.2: Number and rate of confirmed cases of COVID-19 in 2020, by age and sex



Source: COVID-19 NIRST 2021a.

Severity

In 2020, 866 deaths were directly attributed to COVID-19 in Australia; 89% of them in Victoria and 7% in New South Wales. Just over half of these deaths (446; 52%) were for females. The majority of COVID-19 deaths were in the older age groups, with the 85-89 and 90-94 age groups recording the most. There were steep increases in death rates across the age groups and higher rates for males than females, particularly in the oldest age groups (Figure 3.3).

Figure 3.3: Number and rate of COVID-19 deaths in Australia, by age and sex, 2020

Source: AIHW analysis of ABS Provisional Mortality Statistics.

The chances of dying if contracting COVID-19 (case-fatality) rises very sharply with age from about age 70, and rates are consistently higher for men than women (AIHW 2021e). Rates remain below 1% up to and including the 50–59 year age group for both males and females. By age 70–79, case-fatality rates were 11% for males and 6.4% for females. For those aged 80–89, rates increased to 35% for males and 25% for females.

Around 12.5% of people with COVID-19 were hospitalised in 2020, representing the more severe cases of the disease (COVID-19 NIRST 2021c). Average length of stay was 11 days for all COVID-19 hospitalisations, and 21 days for the group that required treatment in Intensive Care Units (AIHW 2021d).

There is now emerging evidence that some people experience a long period of chronic symptoms after developing COVID-19. This condition has been labelled post-COVID-19 syndrome but is more commonly known as 'long-COVID'. A recently published Australian study reported recovery times for 94% of all COVID-19 cases diagnosed in NSW between January and May 2020: 20% had not recovered by 30 days, 9% by 60 days and 7% by 90 days (Liu et al. 2021). Taking into account that 1.8% of cases died from COVID-19, the authors noted that around 5% of cases had not recovered at 90 days. Recovery time increased with age; women recovered more slowly than men; and those with pre-existing comorbidities were slower to recover than those without.

Population groups

Several population groups are at particular risk of developing COVID-19 or of having a higher chance of severe disease if they do contract it. These groups include residents of aged care facilities (covered in the 'Aged care' section later in this article), people living in other communal living accommodation (such as those in prisons or residential disability care), people with chronic health conditions, and health and aged care workers (AIHW 2021e). Another group also at increased risk is Aboriginal and Torres Strait Islander people, and during 2020 this community was successful in keeping infection rates very low (Box 3.1).

Box 3.1: COVID-19 among Aboriginal and Torres Strait Islander people in 2020

Aboriginal and Torres Strait Islander people and their communities are at high risk of COVID-19 outbreaks and severe outcomes due to a range of health and socioeconomic inequalities including reduced access to services, barriers to treatment (including institutional racism) and high rates of chronic disease (Yashadhana et al. 2020).

As at 9 May 2021, there had been 153 confirmed COVID-19 cases among Indigenous Australians since the start of the pandemic (COVID-19 NIRST 2021b). This represents around 0.5% of all confirmed COVID-19 cases, whereas Indigenous Australians comprise 3.3% of the Australian population. The majority (79%) of locally-acquired cases among Aboriginal and Torres Strait Islander people were among those residing in *Major cities*. At the time of writing (June 2021) there had been no deaths among Indigenous people and no outbreaks recorded in remote communities.

This extremely successful response during the first year of the pandemic was led by the National Aboriginal Community Controlled Health Organisation and involved Indigenous Australians and communities in ensuring that the priorities and solutions were safe and culturally appropriate for communities (Crooks et al. 2020). In early March 2020, the Aboriginal and Torres Strait Islander Advisory Group on COVID-19 was established to provide culturally appropriate advice to the Department of Health, including for Aboriginal and Torres Strait Islander health services and communities on COVID-19 (Department of Health 2020a).

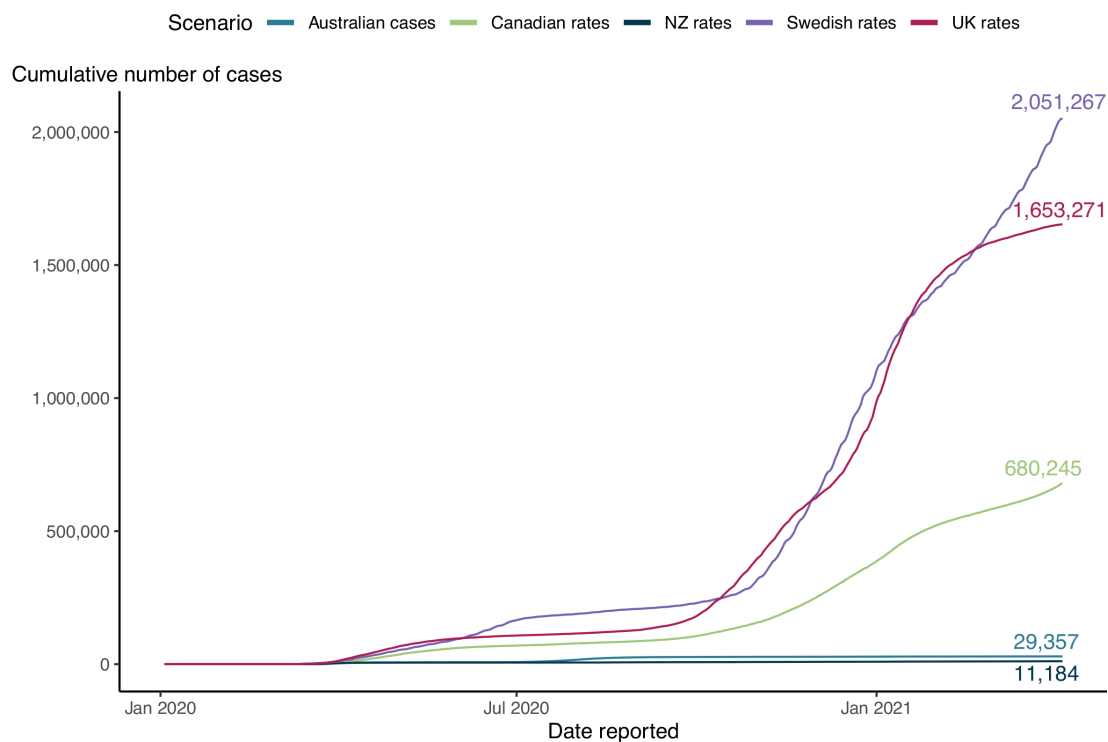
The worsening outbreak of COVID-19 in Papua New Guinea in March 2021 increased the risk of cross-border transmission via the Torres Strait Islands; hence, the Queensland Government fast-tracked the roll-out of vaccines to these islands (Queensland Health 2021).

Comparisons with other countries

Australia was very fortunate in keeping cases and deaths low throughout 2020 for a range of reasons, including strict travel bans, effective public health measures (including regulation to ensure physical distancing), high rates of testing, and effective contact tracing and isolation procedures.

The magnitude of Australia's favourable situation is highlighted by comparing the rates of cases (and deaths) experienced in comparable countries with those for Australia. Four countries serve to illustrate – Canada, New Zealand, Sweden and the United Kingdom – chosen as they are comparable to Australia in ways relevant to this analysis. They have similar proportions of people aged over 65 (which will partly account for different population age structures), similar health as summarised by life expectancy at birth, and similar health systems and expenditure on health care (AIHW 2020a). These countries all applied some level of travel bans, physical distancing and other control measures, though to varying degrees. All except New Zealand experienced many more cases and deaths than Australia.

If the rates in Canada had applied in Australia, by early April 2021, Australia would have had 680,245 confirmed cases (more than 600,000 additional cases); if the rates in Sweden and the United Kingdom had applied, there would have been more than 1.6 million cases (Figure 3.4). These high numbers of cases would have put Australia's health system under extreme pressure and the number of deaths would have been much higher as a result. In contrast, New Zealand was very successful in controlling the number of cases – if their rates had occurred in Australia, there would have been around 18,000 fewer cases than there were. Applying similar methods in relation to death rates, Australia would have had between 15 and 46 times the number of deaths if the rates in Canada, Sweden or the United Kingdom had applied, and around 780 fewer deaths if the rates in New Zealand rates had applied (AIHW 2021e).

Figure 3.4: Number of cases of COVID-19: Australia and scenarios

Sources: WHO for case data and the World Bank for population data.

Indirect health effects

Mental health

For some Australians, the COVID-19 pandemic and associated restrictions appears to have had a negative effect on their mental health, while for others there were positive effects. Negative effects can include concerns about the virus itself; as well, some of the measures needed to contain its spread also had the potential for negative effects (NMHC 2020). Importantly, the periods when people needed to stay at home as much as possible to increase physical distancing meant that many were isolated from family, friends and other support networks. Flow-on effects such as sudden loss of employment and the pressures involved in adapting to remote work and schooling were also part of the picture. For some people, the resulting negative impacts on mental health may be short term; however, there is potential for the situation to exacerbate long-term mental health problems such as depression and substance abuse (WHO 2020). Conversely, positive effects may include greater social connectedness, increased rest and benefits from working at home (Gijzen et al. 2020; Helliwell 2021).

The potential for negative impacts on mental health was recognised early in the pandemic (Brooks et al. 2020; WHO 2020). To reduce these impacts, several support measures were put in place but there was still a notable increase in the use of mental health services (AIHW 2021c).

Psychological distress reflects painful psychological symptoms associated with fluctuations in mood. There is a correlation between high levels of psychological distress and common mental health disorders. Psychological distress is commonly measured using the Kessler Psychological Distress Scale—10 items (K10).

The questionnaire covers things like the individual's level of nervousness, agitation, psychological fatigue and depression over the past 4 weeks. The Kessler 6 scale is an abbreviated form of the K10. Using data from a longitudinal survey (ANUpoll) together with data from before the pandemic and collected at various times during the pandemic (see Box 3.2), the following patterns emerge:

- The initial impacts of the epidemic in Australia appeared to increase levels of psychological distress. This was particularly the case for those in age groups in the 18–44 range (Biddle et al. 2020d). The proportion of all Australians experiencing severe psychological distress increased from 8.4% in February 2017 to 10.6% in April 2020, then fell to 9.7% in May 2020 – still substantially above the February 2017 levels. The increases in psychological distress were larger for younger people than for older people.
- Overall levels of psychological distress worsened between May and August 2020, and remained higher than before the pandemic, driven by worsening rates among women and people aged 75 or over (Biddle et al. 2020e). During this period, there was also a significant worsening in Victoria relative to the rest of the country.
- There was an improvement in overall psychological distress levels between October and November 2020, though levels still remained higher than before the pandemic (Biddle et al. 2020f). The improvements were seen for both males and females, and across all age groups.
- The 2021 data from the ANUpoll shows continued improvement in mental health outcomes between November 2020, January 2021 and April 2021 (Biddle & Gray 2021a, 2021b). The most recent figure has average psychological distress scores lower than they were before the pandemic. However, there are still more people with severe psychological distress (9.7%) than in February 2017 (8.4%). For those aged under 45, the improvements since the peak in April 2020 have not brought average levels of psychological distress down to where they were before the pandemic. The gap in psychological distress between the youngest and oldest age groups has widened since 2017, likely due to the effects of the pandemic.

Box 3.2: The ANUPoll

A panel survey – ANUPoll – has been referred to in several places in this article. The AIHW collaborated with the Centre for Social Research and Methods at the Australian National University (ANU) to include questions on loneliness and the level of psychological distress using the Life in Australia™ Panel, managed by the Social Research Centre (Social Research Centre 2021).

This representative panel of adults living in Australia exclusively uses random probability-based sampling methods and covers both online and offline populations (that is, people who do and do not have access to the internet). As well, as a panel it is possible to obtain longitudinal data including from the same respondents before the spread of COVID-19 which provides richer information than would a series of cross-sectional snapshots, especially with regards to changes through time.

The survey is based on almost 3,500 respondents in the most recent survey. A high proportion (86%) of respondents were included in earlier survey iterations, and new participants are added to replace those who have stopped participating. It includes self-reported data on several important topical issues and was conducted up to monthly during the pandemic. As well as the loneliness and psychological distress questions, other recent topics related to COVID-19 include income, labour market participation and education.

Given the potential for negative impacts on mental health, it has been important to monitor suicide levels during the pandemic. Data have been published from suicide registers in the 3 largest Australian states, all showing very similar rates of suspected suicide in 2020 as was the case in 2019:

- New South Wales: in 2020 there were 896 suspected suicides, compared with 943 in 2019 (NSW Government 2021)
- Victoria: in 2020 there were 713 suspected suicides, similar to the figure of 718 over the same period in 2019 (Coroners Court of Victoria 2021)
- Queensland: between 1 January and 31 July 2020 there were 454 suspected suicides, similar to the figure of 445 over the same period in 2019 (Leske et al. 2020).

Despite the negative impact on mental health, at this stage there appears to have been no increase in suicide rates. However, this will continue to be monitored into the future.

Further details are available from the AIHW Suicide and self-harm monitoring website: <https://www.aihw.gov.au/suicide-self-harm-monitoring>.

The AIHW recognises that each of the numbers reported above represents an individual. The AIHW acknowledges the devastating effects suicide and self-harm can have on people, their families, friends and communities.

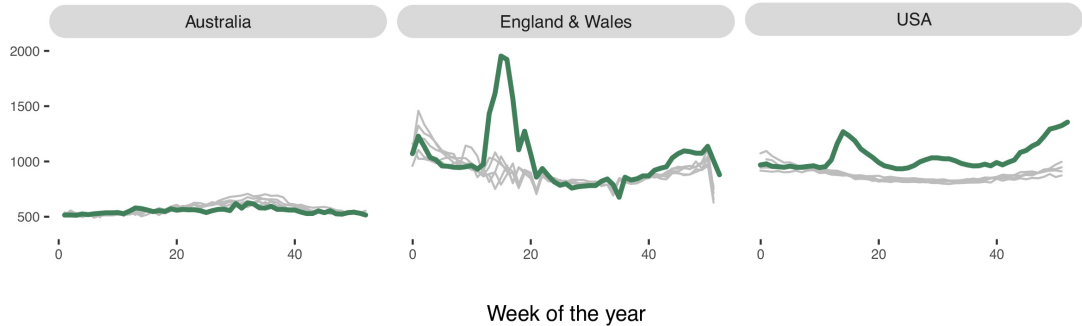
If you or someone you know needs help, services are available 24 hours a day. Call Lifeline (13 11 14), the Suicide Call Back Service (1300 659 467) or Beyond Blue (1300 22 4636).

Deaths from all causes

Australia is one of the few countries where overall death rates (from all causes, based on doctor-certified deaths only) declined during 2020 compared with previous years (AIHW 2021e). The death rates in many other countries were substantially higher than in previous years. Two examples, England/Wales and the United States, are compared with Australia in Figure 3.5. COVID-19 was a key driver for the excess deaths (when deaths exceed the expected number based on recent years) in these 2 countries, but deaths from other specific diseases increased as well (AIHW 2021e).

Figure 3.5: Excess deaths during 2020: selected countries

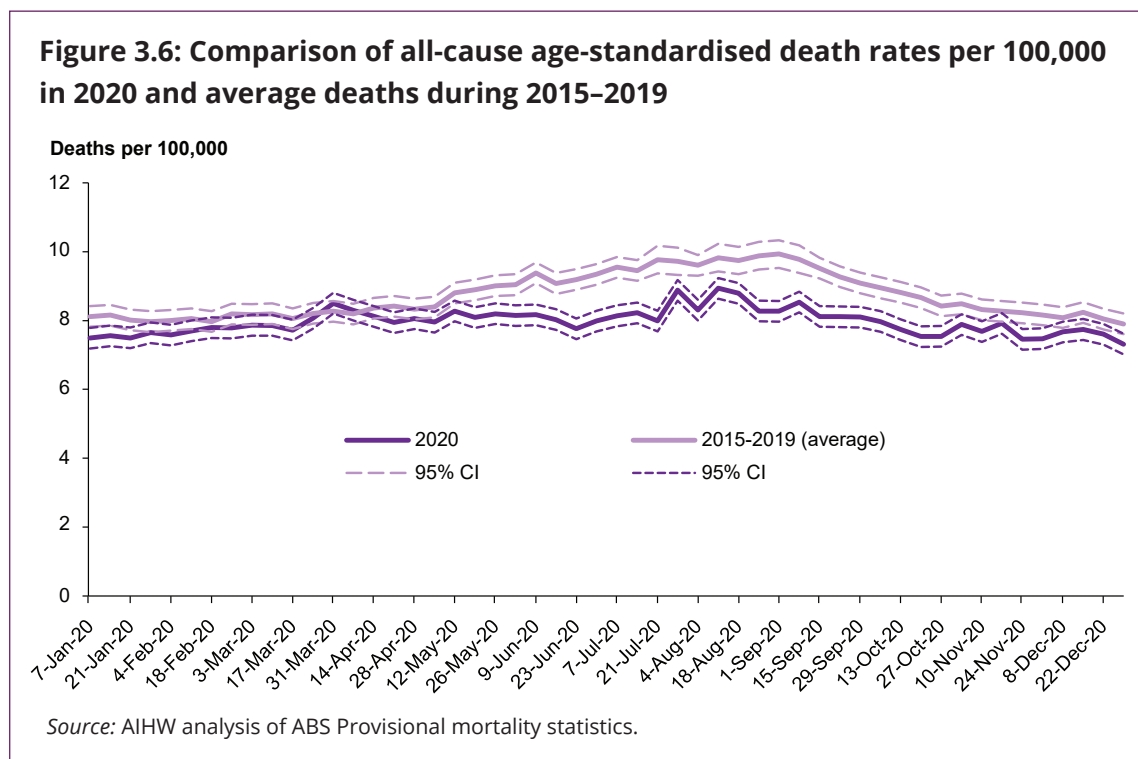
Total death rate (per 100,000 person-years)



Note: Data for Australia includes deaths certified by a doctor only.

Source: Human Mortality Database Short-term Mortality Fluctuations (STMF) data series.

Figure 3.6 shows the lower rates in Australia for excess deaths during 2020 compared with average rates over the previous 5 years, with significantly lower rates in the winter months. Particular declines were seen for respiratory diseases, including chronic and infectious disease (influenza and pneumonia) (AIHW 2021e).



Changes in health behaviours

In April 2020, the Australian Bureau of Statistics (ABS) Household impacts of COVID-19 Survey found that around 3 in 5 (58%) people reported increases in their personal screen time on their phone, computer, television or other device compared with what it had been before the COVID-19 pandemic (ABS 2020c). In the same month, 41% reported an increase in household chores, gardening, yard work, projects or renovations; in June 2020 this figure was 25%. Overall, a similar proportion of people reported increasing exercise and other physical activity as reported decreasing it.

In April 2020, self-reported information from the ABS Household impacts of COVID-19 Survey found that of those who usually drank alcohol, 20% of adults reported increasing their consumption, and 13% reported decreasing it in the previous 4 weeks compared with their intake before COVID-19 restrictions. In June 2020, compared with before the COVID-19 pandemic, a similar proportion of people reported increasing their alcohol consumption as reported decreasing it.

The May 2020 ANUPoll also asked respondents about changes to their alcohol consumption since the spread of the COVID-19 in Australia (Biddle et al. 2020a). Of those who reported drinking, 20% said their alcohol consumption had increased and 27% said it had decreased. Of the 20% who reported an increase in alcohol consumption, 46% said the increase was 1–2 standard drinks per week and 28% reported an increase of 3–4 standard drinks per week.

Other data sources also showed the variable increases and decreases in alcohol use (AIHW 2021a). Commonwealth Bank card data showed an overall increase in spending on alcohol during much of 2020 and into 2021, coupled with a decrease in spending on alcohol services (such as in pubs and clubs). The National Wastewater Drug Monitoring Program showed a decrease in average alcohol use in capital cities in April 2020 compared with earlier periods, and a return to pre-pandemic levels by June 2020.

In the May 2020 ANUPoll, the majority of people reported never using illicit substances (89%). For respondents who did use illicit drugs, 26% reported a decrease in their consumption, while around 18% reported an increase (Biddle et al. 2020a).

Additional positive effects

Early in the epidemic in Australia, there were indications that the public health interventions may have been having a positive impact on the number of cases of other respiratory viruses, particularly influenza. During 2020, the notification rates for laboratory-confirmed influenza were substantially lower from April 2020 onwards, suggesting that measures introduced to control COVID-19 – such as hand hygiene, and restrictions on international travel and movement within the country – may have had a positive impact on the circulation of influenza (Bright et al. 2020; Sullivan et al. 2020). Similar patterns were seen in other countries, including New Zealand and the US (Huang et al. 2021; Olsen et al. 2020).

The strict public health measures introduced to limit the spread of COVID-19 also appear to have reduced injuries due to falls and road traffic accidents, particularly during the first lockdown in March–April 2020. The number of presentations to hospital emergency departments for trauma were lower than for the same period in previous years in several hospitals across Australia (Harris et al. 2020; Jacob et al. 2020; Kam et al. 2020; Way et al. 2021). At the Westmead Hospital in Sydney, the decrease in trauma admissions in March–April 2020 was due to a decrease in presentations where road traffic collisions and falls were the cause of injury (Jacob et al. 2020). Data on national road deaths during March and April 2020 showed a 5.1% and 25% lower number of road deaths, respectively, than the average over the previous 5 years (BITRE 2020a, 2020b).

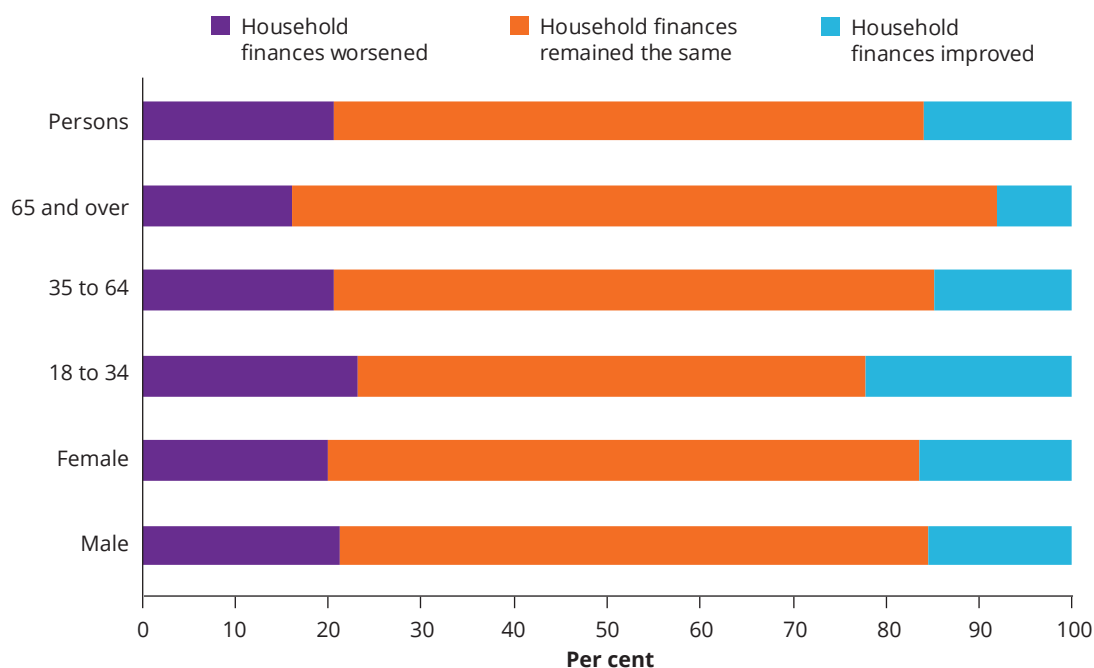
Income and employment

This section provides a brief overview of income and employment changes during the pandemic. For more information, see 'Chapter 4 The impacts of COVID-19 on employment and income support in Australia'.

Income changes

The income of many Australians substantially changed during the pandemic. Over the 12 months to February 2021, 21% said their household finances had worsened during that time, 16% said they had improved, with the remainder saying they were unchanged (Figure 3.7). Younger people (aged 18–34) were more likely to experience worsened household finances than older people, but were also more likely to experience improved household finances. Other groups that had higher proportions with worse household finances included people without a job, with disability or having a long-term health condition.

Figure 3.7: Change in household finances over 12 months to February 2021



Source: ABS 2021c.

Based on longitudinal data following a repetitive sample of people over time in the ANUPoll, average after-tax household income fell sharply (by 9.1%) between February and April 2020, followed by little further change until August 2020 (Biddle et al. 2020e). However, by November 2020 average household income had increased and was almost back to the February 2020 levels (Biddle et al. 2020f). However, these increases did not continue in 2021 and by April 2021, average household income was still 7.2% lower than in February 2020 (Biddle & Gray 2021b).

Changes in income differed across the income distribution. Overall, income inequality fell in the early months of the pandemic, but then increased in the middle months of 2020 before falling again by November 2020 (based on analysis using a summary measure of inequality, the Atkinson Index; Biddle et al. 2020f). It had increased again by April 2021 (Biddle & Gray 2021b).

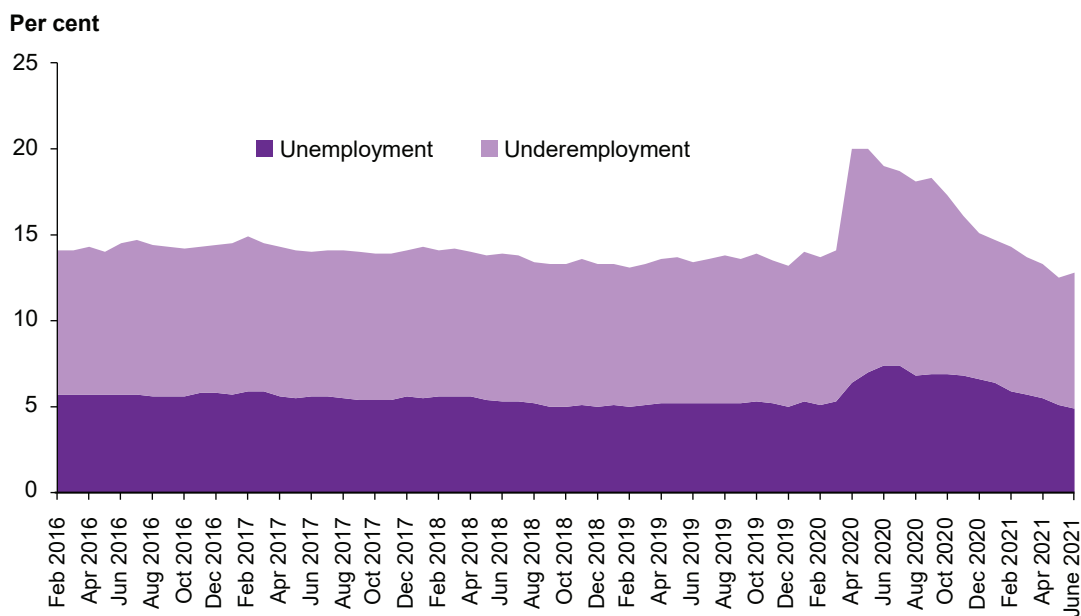
Labour market changes

There have also been substantial changes to the labour market during the pandemic, largely from the shutdown of non-essential industries. This led to large increases in unemployment and underemployment (those who are working but want to work more hours). As well, many people have experienced substantial changes to their work environment. This included large numbers of people who have had to work from home (and, for some, concurrently supervise the schooling of children at home), and those people working in essential services who had to make substantial changes to accommodate the impact of the virus.

In April and May 2020, 1 in 5 (20%) people in the labour force were either unemployed or underemployed (Figure 3.8) – the highest underutilisation figure over the period since February 2016. The previous peak in underutilisation over the last 10 years was 15% in September 2014 and September 2015. The peak percentages for the components of unemployment and underemployment had slightly different timing:

- 14% for underemployment in April 2020
- 7.4% for unemployment in June and July 2020.

The underutilisation rate declined after May 2020 then stabilised until the end of September 2020, at around 18%. By April 2021 it had fallen further to 13.3%, similar to the levels from late 2019, and by June 2021 it was lower than pre-pandemic levels (12.8%). Underemployment was lower than it had been before the pandemic. By May 2021, the unemployment rate had declined to the same rate as in February 2020 (5.1%), and by June 2021 it was lower (4.9%). Employment was 1.2% higher in June 2021 than March 2020 (ABS 2021d).

Figure 3.8: Labour force underutilisation rate, February 2016 to June 2021

Source: ABS 2021d.

Support programs

To help mitigate the substantial impact of the COVID-19 pandemic on the labour market and resulting incomes, several government support programs were put in place – notably the JobKeeper Payment; and the Coronavirus Supplement paid to recipients of the JobSeeker Payment (an unemployment benefit) as well as several other income support payments. The Coronavirus Supplement effectively doubled the total payment made to people receiving unemployment benefits. These schemes concluded at the end of March 2021.

The JobKeeper scheme was a wage subsidy for employees of eligible businesses. In April 2020, the first month of the JobKeeper Payment, around 3.4 million employees received it. By July 2020, the number of people in receipt of the payment reached a peak of 3.7 million (unpublished data by the ATO). Note that recipients were classified as employed in ABS labour force data regardless of the hours they worked (e.g., even if they were stood down).

The number of people receiving JobSeeker Payment doubled between February and May 2020, from 720,000 to 1.46 million. Note that from 20 March 2020, JobSeeker Payment replaced Newstart Allowance as the main income support payment for recipients aged between 22 years to Age Pension qualification age who have capacity to work. Existing Newstart Allowance recipients at this date were transitioned to JobSeeker Payment.

Youth Allowance (other) unemployment recipients also increased, from 86,000 to 171,000. Numbers have fallen in most months since then to May 2021, but are still higher than prior to the COVID-19 pandemic. In May 2021, there were 1.1 million recipients of unemployment payments (Jobseeker and Youth Allowance (other) combined), 241,000 more or 27% higher than in March 2020 (891,300) (DSS 2021). Note that for most of this period, a number of requirements to receive these payments were waived (such as the assets tests and obligation to actively seek work).

The increase in government support payments, including the introduction of the Coronavirus Supplement for working age income support recipients and the JobKeeper Payment, contributed to reductions in poverty for some groups, notably single parent families (from 20% in February 2020 to 8% in June 2020) (Phillips et al. 2020). However, a substantial proportion of recipients did experience a fall in income: for example, 64% of JobKeeper recipients in August 2020 reported that their income had reduced (ABS 2020d). The impact of ending the temporary income support programs (such as JobKeeper and the Coronavirus Supplement) on income levels remains unclear as at the end of July 2021; however, employment had returned to pre-pandemic levels at that time as outlined above. Note that at the time these support programs ended, some increases were made to the JobSeeker and Youth Allowance payments. See 'Chapter 4 The impacts of COVID-19 on employment and income support in Australia'.

Child care and school education

Many children were not able to attend child care or school during the various waves of the pandemic. This meant that many parents took on additional child care responsibilities or supervision of school work, often while working from home themselves. Broader economic impacts from the pandemic – such as the job loss of a parent or guardian, decrease in hours worked, or a shift to remote working – may have had a bearing on the need (or the capacity) to enrol or send children to a preschool program provider.

In May 2020, 76% of adults with children had kept them home from child care or school due to COVID-19 (ABS 2020e). In September 2020, there were still 35% of households keeping their children at home due to the pandemic (ABS 2020f). This national figure was largely driven by the situation in Victoria with many child care centres and schools closed, and with 83% of households keeping their children at home in that state. In New South Wales, the figure was 21%.

Specific measures were put in place in the early months of the epidemic in Australia (when shutdowns were at their peak nationally in 2020) to ensure that child care centres remained viable and were able to provide care for children of essential workers and for vulnerable children. A review of the first 4 weeks of these measures showed that 86% of services were able to stay open and 87% were able to provide care for children of essential workers and for vulnerable children (DESE 2020).

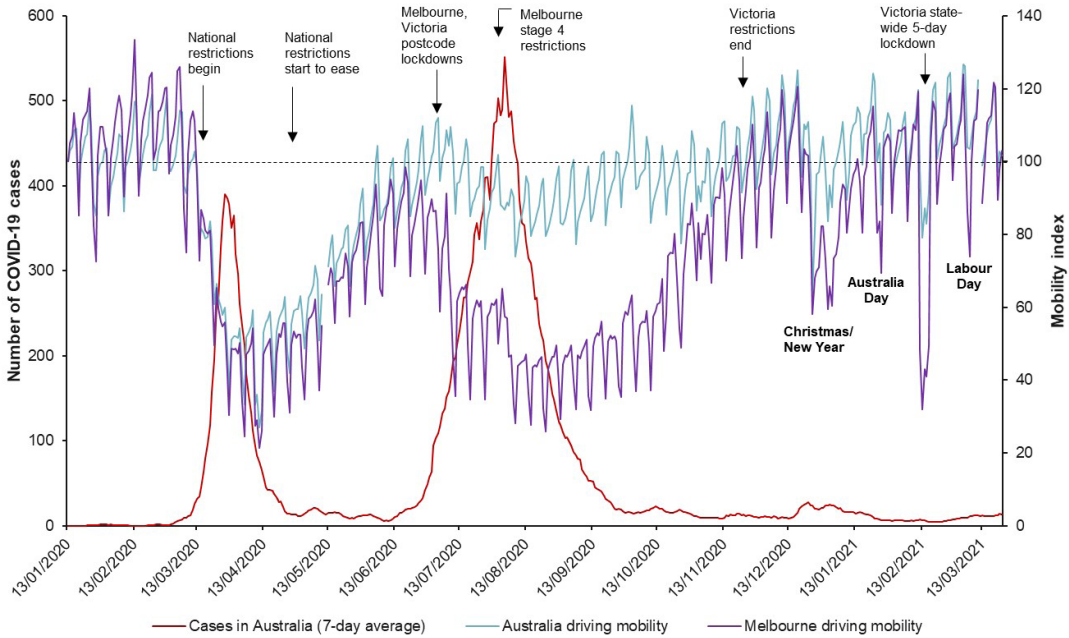
Earlier in the pandemic (in May 2020), over half of parents with school-aged children at home said their children were having difficulties concentrating while learning from home (ABS 2020e). This finding is reinforced by survey data from November 2020 indicating that around half of parents were concerned about their child's learning due to the disruptions caused by the pandemic (13% very concerned and 37% somewhat concerned; Biddle et al. 2020c). The vast majority were satisfied, however, with the way their child's education institution handled the COVID-19 situation (48% very satisfied and 40% somewhat satisfied). These satisfaction levels are higher than those in the United States where the same questions were asked (25% were very satisfied; 44% were somewhat satisfied; Biddle et al. 2020c).

The COVID-19 pandemic also had an impact on out-of-pocket fees for many households in 2020 with certain jurisdictions and/or service providers reducing or waiving fees at some point during the year.

Social isolation and loneliness

Loneliness is a risk factor for mental ill health, besides being distressing in its own right (See 'Social isolation and loneliness' at <https://www.aihw.gov.au/reports/australias-welfare/social-isolation-and-loneliness>). The various restrictions introduced to control the spread of the COVID-19 virus had an obvious side effect – increasing levels of loneliness in the community. Figure 3.9 shows the decline in driving mobility in Australia – and more specifically Melbourne – illustrating the degree of potential reductions in people's interaction with others.

Figure 3.9: Number of COVID-19 cases in Australia and Apple mobility index for driving in Australia and Melbourne, 13 January 2020 to 21 March 2021



Note: The mobility data represent daily changes in requests for directions in Apple Maps by transportation type (driving), compared to a baseline volume on 13 January 2020. The baseline is shown as a dotted line at 100. No data were available for 11 and 12 May 2020.

Sources: Apple Mobility Trends <https://www.apple.com/covid19/mobility>; WHO.

By mid-April 2020, based on self-reported information in the ABS Household Impact of COVID-19 Survey, one-third (33%) of Australian adults had reduced the frequency of their contact with family and friends since the start of the COVID-19 epidemic. The most commonly reported personal stressor at that time was loneliness – reported by 22% of people, with women reporting higher rates than men (ABS 2020a). By the end of June 2020, this figure had reduced to 9.1% (ABS 2020b).

The longitudinal ANUPoll showed that, in April 2020, 41% of male and 50% of female respondents felt lonely at some time, but those percentages fell to 31% and 40% respectively in May 2020 (Biddle et al. 2020d). The loneliness levels again increased through to August 2020 but this rise occurred only in Victoria (Biddle et al. 2020e). Furthermore, those who experienced loneliness had higher rates of psychological distress.

Life satisfaction

A life satisfaction question – which takes account of both positive and negative aspects of wellbeing – was included in the ANUPoll before and throughout the pandemic.

The question used is:

Overall, how satisfied are you with life as a whole these days, on a 0–10 scale where 0 is ‘not at all satisfied’ and 10 is ‘completely satisfied’.

Scores provided by participants were then averaged to construct a population-wide score.

Before the pandemic, life satisfaction had decreased between October 2019 and January 2020, followed by further declines in the early stages of the pandemic and then by increases towards pre-pandemic levels:

- It fell from an average of 7.05 (95% CI: 6.93–7.17) in October 2019 to 6.90 (95% CI: 6.82–6.98) in January 2020 and to 6.52 (95% CI: 6.43–6.62) in April 2020 (Biddle & Gray 2021b).
- It then fluctuated in the range 6.6 and 6.8 for most of 2020, getting close to the pre-pandemic levels in November 2020, when it reached 6.99 (95% CI: 6.90–7.08).
- In April 2021, it was 6.87 (95% CI: 6.79–6.95).

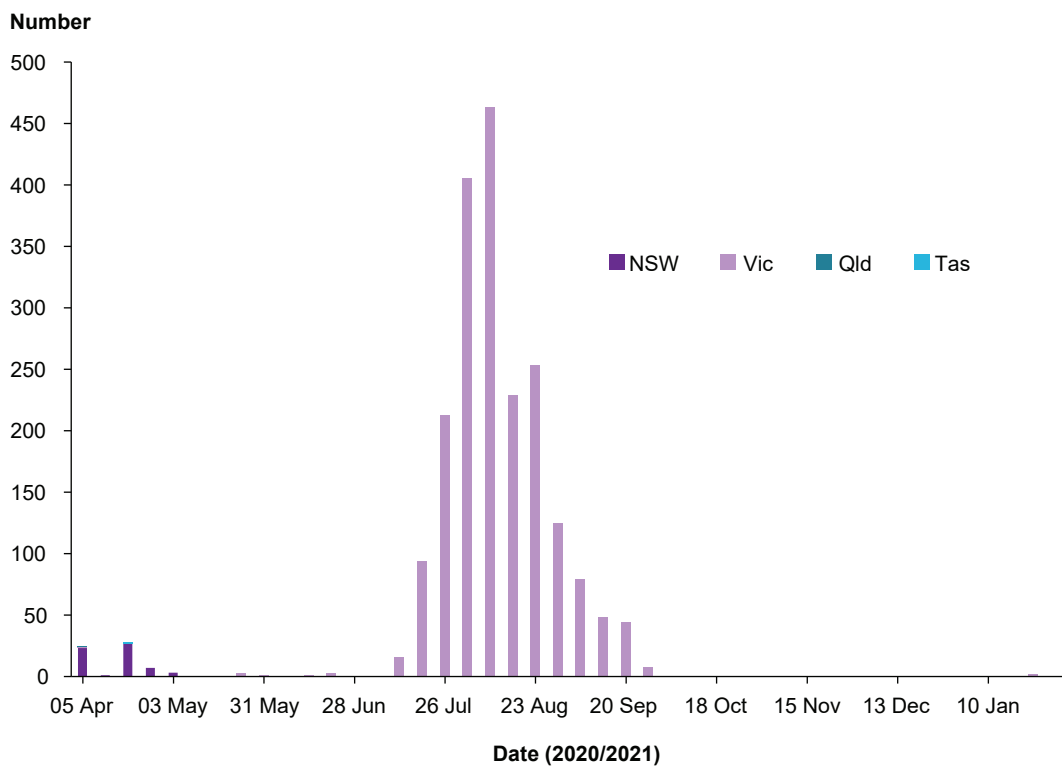
Regression analysis for the period from January to November 2020 showed there was a significantly greater loss in life satisfaction for people living in Victoria than those in the rest of the country (Biddle et al. 2020f). Groups with smaller losses in life satisfaction included those aged 55 and over (compared with those aged 35–44), those who lived outside a capital city, people who spoke a language other than English at home, and those who lived in the most advantaged areas in Australia. This is consistent with expectations given the greater impact of (among other things) shutdowns (through, for example, their impact on employment) for younger people, people in Victoria and people in the capital cities.

Aged care

Three-quarters (75%; 678 of 909 deaths notified to NNDSS) of all COVID-19-related deaths in Australia by March 2021 were among people living in residential aged care (Department of Health 2021). Similarly, a high proportion (66%) of COVID-19 deaths in Canada occurred among residents of long-term care facilities in their first wave of cases between March and August 2020 (CIHI 2021). In the United Kingdom, 40% of COVID-19-related deaths up to 12 June 2020 were among residents of care homes (ONS 2020a, 2020b). The high proportion of deaths reflects the increased risk of death among the frail elderly if they contract COVID-19. As at 12 March 2021, there had been 2,029 confirmed cases of COVID-19 among residents in aged care facilities in Australia, (Department of Health 2021). This was 7.0% of all cases in Australia.

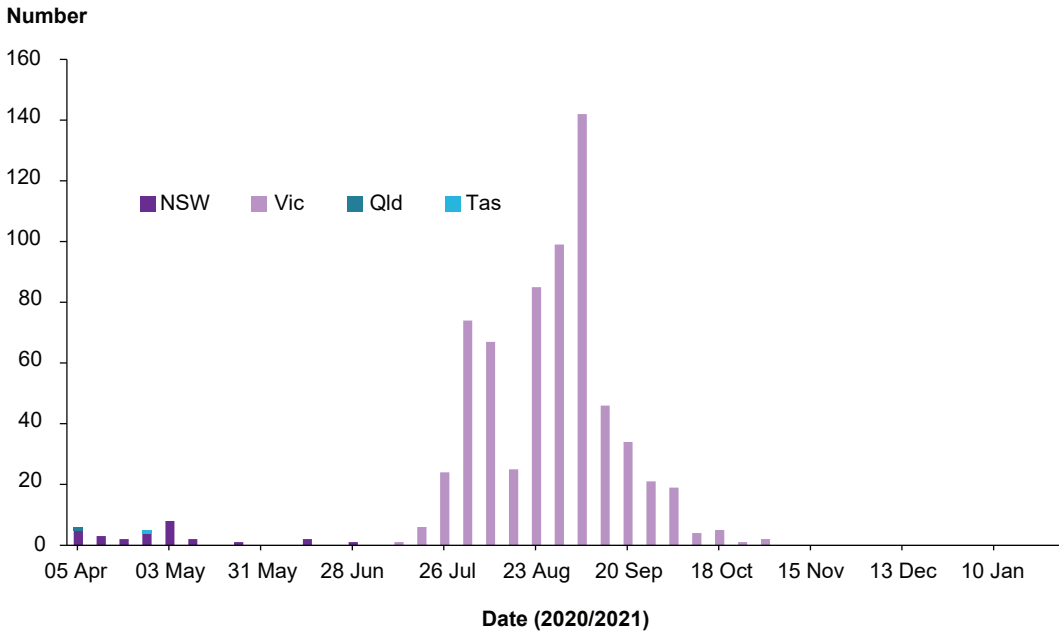
Given that older people are at greater risk of poorer outcomes from COVID-19 than people aged under 60 (Holt et al. 2020) – and that people living in residential aged care often live in close proximity to each other – the aged care sector is a high-risk setting. Residential aged care facilities often deal with infectious disease outbreaks, such as influenza and gastrointestinal illness (Kirk et al. 2010); they have procedures in place to respond to and manage them such as illness detection, infection control practices and outbreak management (Department of Health 2017). However, there are particular challenges with infection control among people with dementia, making that large group in residential aged care at increased risk of contracting the virus (Numbers & Brodaty 2021).

The first outbreaks in aged care facilities in Australia occurred in New South Wales in April 2020 (Figure 3.10), resulting in 61 cases. The outbreaks were challenging to contain and highlighted the risk to people living in residential aged care (Anderson 2020). There was also a case in each of Queensland and Tasmania. After this, there were only sporadic cases in residential aged care until July when several outbreaks occurred in Victoria resulting in a large number of cases. The number of weekly cases peaked in early August 2020, and there were a total of 1,986 cases up to the end of September.

Figure 3.10: Confirmed cases of COVID-19 among aged care residents 2020

Source: Coronavirus (COVID-19) at a glance infographic collection | Australian Government Department of Health.

Deaths from these outbreaks were substantial (Figure 3.11). There were nearly 30 deaths from the earlier outbreaks in New South Wales, and over 650 in Victoria. The corresponding case-fatality rates were 46% and 33%. For deaths from COVID-19 up to the end of November 2020 (which covers the period of all deaths among residents of aged care in 2020), 304 occurred in a residential aged care facility (ABS 2021a), which is around 45% of aged care residents who died from COVID-19 in 2020.

Figure 3.11: Deaths from COVID-19 among aged care residents 2020

Source: Coronavirus (COVID-19) at a glance infographic collection | Australian Government Department of Health.

In the early stages of the epidemic, the Australian and state and territory governments put restrictions in place to protect Australians living in residential aged care, including limiting the number of visitors (Department of Health 2020b). The Communicable Diseases Network Australia released the National Guidelines for the Prevention, Control and Public Health Management of COVID-19 Outbreaks in Residential Care Facilities in Australia (CDNA 2020).

These National Guidelines recognised the increased risk of transmission within aged care facilities, and of more severe disease among this group of residents. It also became clear that when there was sustained community transmission of the COVID-19 virus, there was a substantial risk that staff could bring the virus into the facility, as was the case during the second wave in Victoria (Gilbert & Lilly 2020). There was increased risk of this happening when the staffing level was lower, staff worked across multiple facilities or were not being fully trained in infection control procedures (Cousins 2020; Crotty et al. 2020).

The enforced isolation of people living in residential aged care had potential and realised effects on their mental health and cognition (Holt et al. 2020; Manca et al. 2020; Suárez-González 2021). The enforced isolation can increase symptoms of anxiety and depression. Both people with and without dementia are at risk of cognitive decline due to the social isolation.

As well as the tragic impact of contracting COVID-19 on residents and their families and the impact of restricting visitors, the infection control requirements introduced challenges when providing routine care (for example, exercise and healthy food provision). This situation became even more difficult when large numbers of staff tested positive to the virus and were therefore not able to attend work (Royal Commission into Aged Care Quality and Safety 2020). Long-term isolation from other residents, and particularly from family, had the potential to substantially increase loneliness of residents and adversely affect their general wellbeing (Holt et al. 2020). A large increase in depression, anxiety and confusion was noted among residents during this time (Royal Commission into Aged Care Quality and Safety 2020).

Family and domestic violence

The potential for increases in family and domestic violence due to the widespread social restrictions and resulting economic challenges was highlighted early in the pandemic. These restrictions could also make it more difficult for people experiencing violence to report the incident or leave the violent situation. Several measures were taken to help mitigate these potential impacts, including funding for extra support services, such as counselling and a national information campaign (Morrison 2020).

It is challenging to obtain comprehensive data on the extent of family, domestic and sexual violence. There are inherent challenges in measurement, the incidents often occur behind closed doors, and they can be concealed or denied by perpetrators and sometimes victims. Data sources can include only those incidents that have been disclosed by individuals or recorded by relevant authorities (ABS 2017).

Despite the lack of national data on domestic violence during the COVID-19 pandemic, several data sources outlined in this section suggest that it may be a growing problem. Further data will be needed, though, to make a definitive assessment of trends during this period.

An online survey of 15,000 women found that 4.6% experienced physical or sexual violence from a current or former cohabiting partner between February and May 2020 (Boxall et al. 2020). For 65% of these women, either it was the first time the violence had occurred, or the violence had increased in frequency or severity since February. From the same survey, 5.8% of all women reported being subject to coercive control (experiencing 3 or more forms of emotionally abusive, harassing and controlling behaviours), and, in 55% of cases, it was a first-time abuse or the abuse had worsened since February. Over one-third (37%) of women who experienced physical/sexual violence or coercive control did not seek help on at least one occasion, due to safety concerns.

More than half (58%) who experienced both physical/sexual violence and coercive control did not seek help on at least one occasion.

Police data from Victoria contained 9% more family violence incident reports in 2020 than in 2019, and average monthly numbers were higher than expected (Crime Statistics Agency 2021). Furthermore, the numbers of current partner and parent-child relationships in these family incidents was higher than forecasted.

Data on support services also show an increase in demand, though it may be a mix of factors driving these patterns, including increased availability and awareness of services, and/or a potential increase in incidents. There was a:

- 75% increase in Google searches for family and domestic violence help during the very early months of the epidemic compared with the average over the previous 5 years (Doran 2020; Morrison 2020)
- 26% increase in calls to MensLine compared with the previous year (Doran 2020).

Lastly, in the early months of the pandemic, domestic violence support workers for women in New South Wales, Victoria and Queensland reported increases in client numbers, the frequency and severity of violence, first-time violence, and the complexity of client needs (Lynch 2020; Pfitzner et al. 2020; Women's Safety NSW 2020). There were also reports of abusers using COVID-19 as a reason for violence, including limiting contact with others, and anger due to income or job losses.

The reports of changes in demand come from a range of sources, however, patterns of service use are likely to vary across sectors and geographical areas. There is also some evidence from specialist service workers in New South Wales that demand did not diminish after restrictions eased (Foster et al. 2020).

Child protection

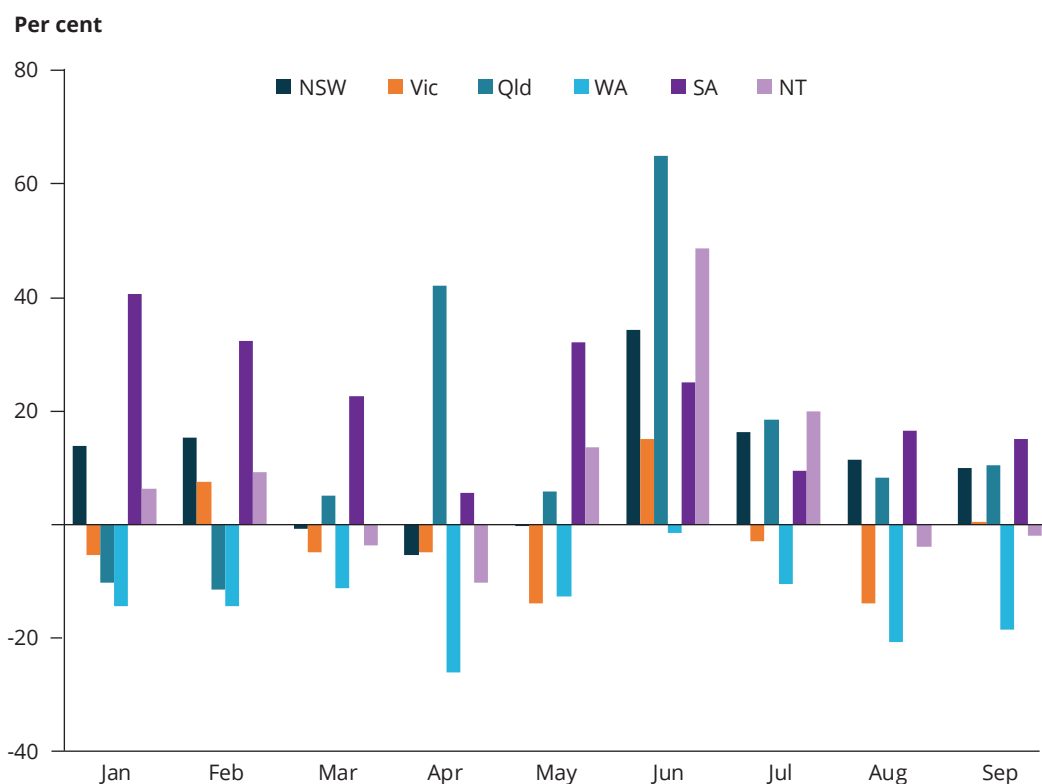
Child protection services aim to protect children from abuse and neglect in family settings. As is the case for family and domestic violence, it is difficult to collect comprehensive data on the prevalence of child abuse and neglect in the community.

Data on child protection services provide an insight into patterns and trends of notified child abuse and neglect. Suspicions about child abuse or neglect are often reported by schools, child care centres, and other people or services with whom children regularly come in contact. These reports are known as 'notifications' of suspected child abuse and neglect, and data on these can provide an early indication of potential trends. Further detail on other child protection data can be found in *Child protection in the time of COVID-19* (AIHW 2021b).

The COVID-19 pandemic has potentially limited opportunities to detect and report child abuse and neglect. Furthermore, the added challenges due to the pandemic and associated restrictions (as outlined in this article) may have made some families more vulnerable to child abuse and neglect; previous crises have shown higher numbers of child abuse reports during such times of stress (Curtis et al. 2000; Meadows et al. 2015; Risso-Gill & Finnegan 2015; Seddighi et al. 2019).

Data for the period March to September 2020 (covering the first wave of restrictions in Australia and part of the second wave in Victoria) showed that notifications commonly dropped during the COVID-19 shutdowns, and increased once restrictions eased (Figure 3.12). However, the change in notifications varied considerably across the period, both month to month and across states and territories.

Figure 3.12: Percentage change in child protection notifications between 2019 and 2020, by state and territory and month



Note: Includes states and territories with complete data over the period January 2019 to September 2020.

Source: AIHW 2021b.

A commonly observed pattern is for notifications to fall during school holidays and rise again once school resumes, as school personnel are a common source of notifications – the second highest (19%) in 2019–20 after police (22%) (AIHW 2021b). The increase after April 2020 in all 7 jurisdictions with data available was larger than in previous years, suggesting that the COVID-19 restrictions may have had an added effect (AIHW 2021b). The remote learning implemented in many jurisdictions meant that children may have been less visible to school staff for longer periods than usual. There was also a second drop in notifications in Victoria between July and September 2020, coinciding with school closures there. Similar patterns have been observed in other parts of the world, such as in New York City (Rapoport et al. 2020).

The total number of notifications for the period from March to August 2020 was higher in some jurisdictions (New South Wales, Queensland, South Australia and the Northern Territory) than for the same period in 2019, lower in others (Western Australia and the Australian Capital Territory) and similar in Victoria (AIHW 2021b). However, some increases follow a pattern of increasing numbers over recent years (such as in New South Wales), thought to be related to increased awareness of child protection issues and improvements in reporting processes.

Housing

For many Australians, housing costs such as mortgage or rent payments are one of the largest components of household spending. Many households whose income was adversely affected during the COVID-19 pandemic experienced greater difficulty in making these regular payments.

Between April and May 2020, the percentage of Australians who were not able to pay their rent or mortgage on time doubled, from 7% to 15% (Biddle et al. 2020b). This figure was higher among renters (27%) than among mortgage holders (17%) – and among renters, it was higher among low-income renters (40%) than those on higher incomes (10%).

Several initiatives were taken to assist households in need with their housing costs. In the early stages of the pandemic (around May 2020), lower payments were negotiated by 16% of mortgage holders and 11% of renters, while another 8% and 2% of these groups, respectively, negotiated a freeze on payments (Biddle et al. 2020b). Evictions were prohibited during this period. These initiatives were temporary, and many households would have later returned to making normal payments. In December 2020, 3% of mortgage holders had the payments reduced and 2% had them frozen in the previous 4 weeks (ABS 2021b). For renters, 2% had their payments reduced and 2% had them deferred (or they were in arrears) in the previous 4 weeks.

The number of clients using specialist homelessness services remained steady between January to June 2020; client groups of particular interest for whom this was the case were children aged under 18 and clients who have experienced family and domestic violence (AIHW 2020b). Client numbers were also similar to those for the same period in 2019. While these numbers were steady, various support policies were implemented by governments during this time, not all delivered through specialised homelessness services.

For more information, see 'Chapter 5 COVID-19 effects on housing and homelessness: the story to mid-2021'.

What might the future hold?

The future course of the COVID-19 pandemic remains unknown and unpredictable. Many countries continue to experience very large numbers of cases and deaths and, at the time of finalising this article, a number of areas in Australia had new outbreaks, largely linked to new strains of the virus. The vaccine rollout is underway, but it is not yet clear when adequate coverage of the Australian population will be reached. The 4 phases of the National Plan to transition Australia's National COVID-19 Response are structured around various levels of vaccination in the population (Australian Government 2021). New variants continue to emerge, and these have the potential to be more infectious, have more severe health effects or reduce the effectiveness of vaccines.

While the overall economic impact of the pandemic in Australia at the time of finalising this article has been less severe than may have been the case, the situation is uneven and some population groups (such as young people) and industries (tourism, higher education, entertainment) have been disproportionately affected.

It is important to continue to track how these factors have affected the wellbeing of Australians. This effort will continue as more data become available and the full picture becomes clearer.

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4

The impacts of COVID-19 on employment and income support in Australia

4. The impacts of COVID-19 on employment and income support in Australia

The onset of the Coronavirus 2019 (COVID-19) pandemic in Australia in March 2020 had substantial health and labour market effects. Australia was very successful in managing the direct health effects of the pandemic in 2020 through widespread spatial distancing measures, and activity and business restrictions to control the spread of the virus. These measures did, however, extensively affect the Australian economy, with many people suddenly finding themselves without a job, similar to the situation seen globally. The economic response of Australian governments in providing support packages was aimed to cushion the impact of this initial shock to the economy.

This article describes what happened between March 2020 and May 2021 to employment, income support receipt and income levels following the COVID-related restrictions imposed on businesses and services. However, since May 2021, Australia has experienced further COVID-19 outbreaks and associated business-related restrictions that have affected employment. Governments have also announced additional economic support packages to support Australians affected by these restrictions. Due to the availability of data at the time of finalising this article in mid-July, this article does not discuss changes to employment or income support receipt after May 2021.

This article shows that in the early months of the pandemic in 2020, there were large job losses and reductions in hours worked. The monthly fall in employment between March and April 2020 was the largest on record since the current Labour Force Survey began in 1978. There were also large falls in hours worked, particularly in hospitality, and arts and recreation industries between March and May 2020. The underemployment rate in April 2020 was the highest on record and twice as high as the rate observed between the early 1990's to 2014, driven by the number of full-time workers on reduced hours for economic reasons. These declines in employment were steeper (at least initially) for those working part-time, those in casual employment, females, young people and those living in large urban centres.

The Australian Government's economic response to the pandemic's adverse impact on the labour market meant that many who may otherwise have lost their jobs remained connected with their employers through the JobKeeper Payment. There was also a large increase in the receipt of government income support payments, with the number of recipients of unemployment payments (JobSeeker Payment and Youth Allowance (other)) almost doubling between March and May 2020. The increases in government payments (such as through the Coronavirus Supplement for working-age income support recipients and other stimulus payments) in 2020 also resulted in higher levels of spending and reductions to the poverty rate at the height of the pandemic.

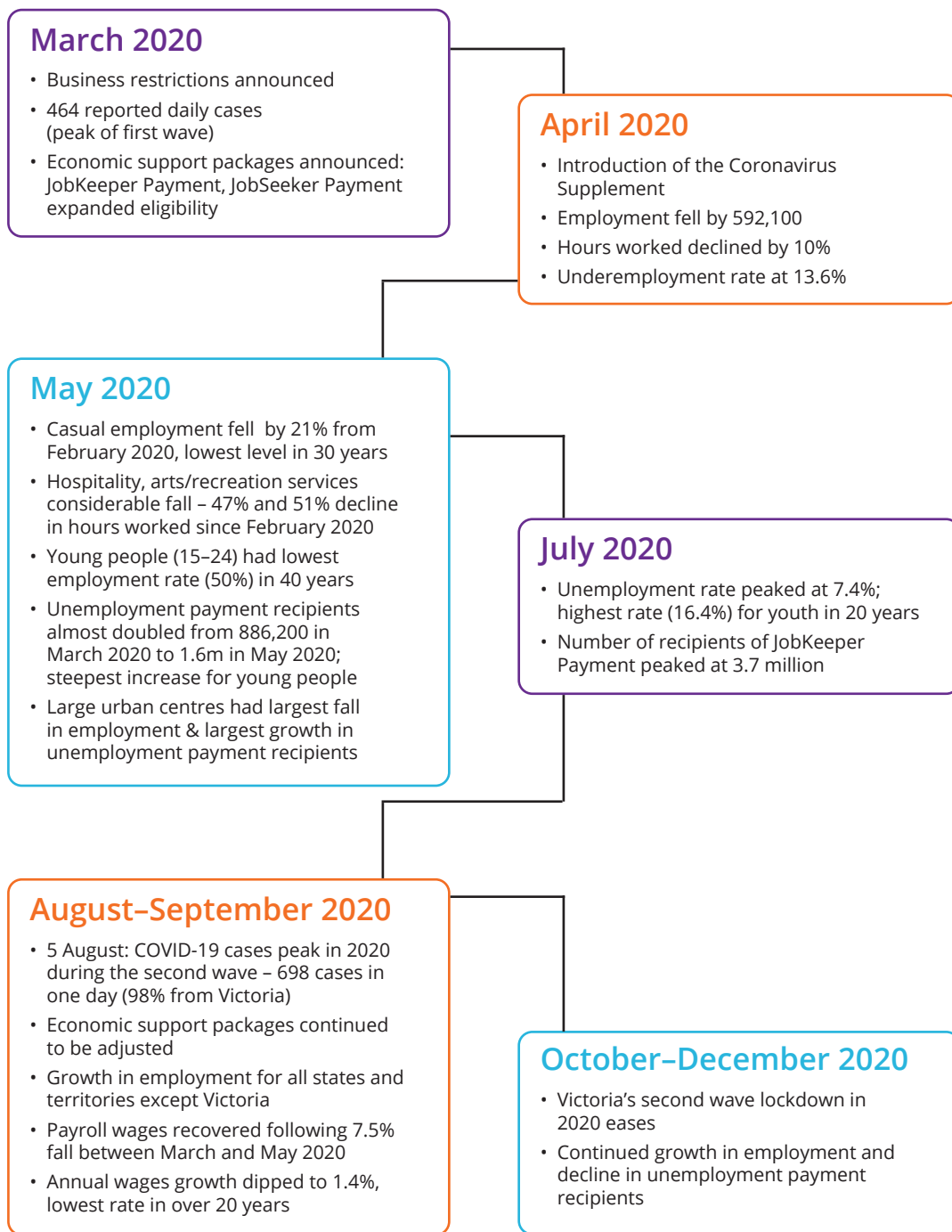
Australia made great progress in improving labour market and income outcomes, with most measures rebounding quickly within 12 months of the imposition of restrictions, faster than for previous recessions. From June 2020, with the progressive easing of restrictions and businesses reopening, there was a steady growth in employment, in the number of hours worked, in total wages, and in income and household spending. By May 2021, most of these measures were faring better than their pre-pandemic level in March 2020, including employment, which reached its highest level on record; unemployment and underemployment were also below their pre-pandemic levels.

Not all measures had returned to pre-pandemic levels by May 2021 though. Hours worked were still lower for those working in industries hardest hit during the pandemic and receipt of unemployment payments was still higher.

Further details on the key findings presented in this article, in the context of the business and services restrictions and policy changes, are presented in Figure 4.1.

While the speed of this COVID-19-related recovery has been faster than for previous labour market downturns, the full impact of the pandemic on the economic wellbeing of Australians is still to be determined. Australia continues to experience COVID-19 outbreaks and associated business-related restrictions across several states (for example, in July 2021, half of Australia was in lockdown).

Figure 4.1: Key policy, employment, income support and income changes, March 2020–May 2021



continued

Figure 4.1 (continued): Key policy, employment, income support and income changes, March 2020–May 2021

March 2021

- JobKeeper Payment and the Coronavirus Supplement ended
- JobSeeker Payment temporary policy changes ended

May 2021

Back to pre-pandemic (March 2020) levels or better:

- Employment rate (15-64) of 75.5%, highest on record and above previous high (74.5% in January 2020)
- Unemployment rate of 5.1%, below pre-pandemic level (5.3% in March 2020)
- Underemployment rate of 7.4%, below pre-pandemic level (8.8% in March 2020)
- Higher total hours worked (2.9% higher) and payroll wages (3.1% higher) than March 2020

May 2021

Progress still required to reach pre-pandemic (March 2020) levels:

- Hours worked was lower than in February 2020 for:
 - Casual employees (1.2% below)
 - Hospitality, Arts, Recreation services (5.5% and 2.6% below)
- Payroll jobs in hospitality remain 9.8% below March 2020 levels
- Number of unemployment payment recipients remain higher (28% higher than in March 2020)

Background

Shortly after the World Health Organization declared the Coronavirus disease 2019 (COVID-19) a pandemic in March 2020, the Australian Government introduced a range of measures to contain the virus and to protect Australia's health care system from becoming overwhelmed. These included:

- widespread spatial distancing
- testing and contact tracing
- shutdown of all non-essential business and activities and many education restrictions
- restrictions on local and international travel (including quarantine for travellers), gathering size, opening hours for many businesses, and public transport.

These measures were relatively successful in preventing the spread of the virus in Australia in 2020 and early 2021 and in managing its direct health effects, especially when compared with other countries. They did, however, substantially affect the Australian economy, with many people suddenly finding themselves without a job, similar to the situation seen globally. To help offset the economic downturn that followed business shutdowns, the Australian Government's economic response included:

- the JobKeeper Payment (to keep employees connected with their employers)
- the Coronavirus Supplement for working-age income support recipients
- temporary eligibility changes to the JobSeeker Payment
- economic support payments (one-off payments in March, July, December 2020 and March 2021).

This economic downturn affected the employment status and income levels of some individuals and households more than others. The consequences appear to have been greater for young people and females (at least initially), as they were more likely to work in occupations and industries most affected by the shutdowns and spatial distancing measures. The impacts on the labour market across Australia also varied; some regions experienced a higher number of job losses and need for income support than others.

This article explores the impact of the business shutdowns associated with the COVID-19 pandemic on the employment, receipt of government payments, and income levels of Australians, focusing on specific populations disproportionately affected by these shutdowns. It discusses:

- policy measures adopted to reduce the impact of the labour market changes associated with the COVID-19 pandemic, including international comparisons
- the effects of business-related shutdowns on a range of employment measures, including employment, unemployment, underemployment, hours worked and industries most affected; as well as the JobKeeper Payment.

- the impact of these labour market changes on receipt of government income support payments, in particular the JobSeeker Payment
- changes to income and wages during 2020 and 2021.

The article examines 3 key periods:

- March–May 2020: the peak of the first wave in infections and the introduction of the shutdown of all non-essential business and activities
- June–August 2020: easing of restrictions as infection rates started to fall across most states and territories
- September 2020–May 2021: further easing of restrictions and government support packages, with very few confirmed cases, and with regional-specific responses to outbreaks (for example, in Melbourne and Sydney).

Note that in this article, the exact month for any references to ‘pre-pandemic’ or ‘pre-COVID’ varies by data source and depends on data availability; it usually refers to the period before business shutdowns began affecting the economy (before March 2020) rather than to the period before the first case was confirmed in Australia (25 January 2020).

At the time of finalising this article in mid-July 2021, the latest available employment and income support payments data was from May 2021. More recent data released in August 2021, shows that the employment rate for people of workforce age (15–64) remains higher than it was prior to the onset of the pandemic (75.7% in July 2021). While nationally employment grew slightly in July (2,200 more employed people than in June 2021), in NSW employment fell (by 36,000) and total hours worked fell by 7.0% (nationally hours worked fell by 0.2%). The unemployment rate declined to 4.6% in July 2021 and remains lower than it was before the pandemic in March 2020. The underemployment rate declined to May 2021 and then rose to 8.3% in July 2021, but still remains below pre-pandemic levels. Labour force data for July is yet to fully reflect the impact of the lockdowns from mid-2021.

This slower growth in employment since May 2021 was influenced by the further outbreaks and associated business restrictions (in particular in Victoria and Greater Sydney) that affected employment levels and the need for further economic support packages to support Australians affected by these restrictions. These additional economic support packages introduced in June–August 2021 are not included in this article. They included the Australian Government COVID-19 Disaster Payment (payment for loss of income due to the COVID state public health order), Pandemic Leave Disaster Payment (lump sum payment due to the need to self-isolate or quarantine) and New South Wales JobSaver payment (40% of weekly payroll for eligible businesses and organisations) (Services Australia 2021a, 2021b; Service New South Wales 2021).

Policy responses to COVID-19

In late March 2020, the Australian Government introduced a range of economic support packages to offset the adverse impacts on the labour market of the measures it introduced to slow the spread of the COVID-19 virus – widespread social distancing and other business related restrictions. Two of the largest of these support packages were:

- the introduction of the Coronavirus Supplement for working-age income support recipients
- the introduction of the JobKeeper Payment that provided wage subsidies to eligible businesses for payment to their employees.

State and territory governments also implemented a range of support measures to help slow the spread of COVID-19 in their jurisdiction.

JobSeeker Payment and Coronavirus Supplement

The JobSeeker Payment is the primary income support payment for working-age Australians (aged over 22 but under the Age Pension qualifying age, 66.5 years on 1 July 2021) who are looking for work or earning under the income threshold. Receipt of this payment is typically subject to asset tests and mutual obligation requirements (such as looking for work or engaged in activities that that will assist with finding work in the future).

In March 2020, the JobSeeker Payment replaced Newstart Allowance, consolidating it with several other payments (such as Sickness Allowance and Bereavement Allowance). Short-term policy changes were made to JobSeeker Payment in late March 2020 (such as waiving the assets tests, waiting periods, and mutual obligation requirements) in response to the COVID-19 pandemic, as described in Box 4.1. These changes provide an important context for the following sections of this article as increasing the number of people eligible for the payment is likely to increase the number of those who receive it.

As well as short-term policy changes to the JobSeeker Payment, some income support payments also temporarily received the Coronavirus Supplement. From 27 April 2020, this supplement was provided for new and existing recipients of unemployment payments (JobSeeker Payment, Youth Allowance, Parenting Payment) and a number of other income support payments. It was initially paid at \$550 per fortnight; it was adjusted to \$250 from 25 September 2020, and then adjusted again to \$150 from 1 January 2021. The Coronavirus Supplement ended on 31 March 2021. In April 2021, there was a permanent increase (an increase of \$50) to the base rate of working-age income support payments, including the JobSeeker Payment.

Box 4.1: Policy changes to the JobSeeker Payment in response to COVID-19

Temporary changes to the JobSeeker Payment to the 31 March 2021 included:

- expanding eligibility criteria to provide access to sole traders and to other self employed people, to permanent employees who were stood down or lost their job, and to people caring for someone affected by COVID-19 – from 25 March 2020
- waiving the assets test – from 25 March 2020
- waiving the ordinary waiting period, liquid assets waiting period, newly arrived residents waiting period and the seasonal work preclusion period – from 25 March 2020
- relaxing the partner income test by lowering the amount by which payment rates were reduced as a result of partner income – from 27 April 2020
- increasing the income-free area for the JobSeeker Payment and the Youth Allowance (other) – from 25 September 2020.

As well, some temporary changes were made to make the claims process easier, including no longer requiring Employment Separation Certificates or payslips. These changes applied for the period 25 March 2020 to 24 September 2020.

In April 2021, there was a permanent increase to the base rate of working-age income support payments, including the JobSeeker Payment, which was \$55 per fortnight higher than the base rate in March 2020 (\$620.80 per fortnight compared with \$565.70 per fortnight as at 20 March 2020).

JobKeeper Payment

In March 2020, the Australian Government introduced the JobKeeper Payment. This payment, a fortnightly wage subsidy, was designed to support the economy during the COVID-19 pandemic by helping keep businesses trading and people employed. Eligible organisations had to pay their employees the full JobKeeper amount (after tax) – regardless of whether an employee had undertaken any work– after which the organisation received the JobKeeper Payment from the Australian Tax Office. The conditions of eligibility for businesses and employees are described in Box 4.2.

The introduction of the JobKeeper Payment limited the number of people claiming income support payments (such as the JobSeeker Payment) by providing income to eligible individuals who were stood down or who had their working hours reduced, as well as subsidising the wages of businesses who faced a downturn in revenue. The JobKeeper Payment was considered income for the purposes of the social security income test. This means that people could have been ineligible to receive both the JobKeeper Payment and an income support or other payment at the same time, in particular those in receipt of the first iteration of the JobKeeper Payment. However, some recipients may have been eligible to receive JobKeeper Payment and a part-rate income support or other payment, depending on their circumstances (Arthur 2020).

Box 4.2: JobKeeper Payment eligibility requirements

The JobKeeper Payment was introduced at \$1,500 per fortnight. Businesses (and some non-profits) were eligible if their turnover was:

- less than \$1 billion and they had an estimated or projected decline of at least 30%
- above \$1 billion and they had an estimated or projected decline in turnover of at least 50%.

Workers needed to be employed by 1 March 2020 to be eligible for the payment. In August 2020, this date was changed to 1 July 2020. Furthermore, casual employees had to be employed on a regular and systematic basis for at least 12 months to receive the payment.

In May 2020 and July 2020, further eligibility requirements were applied, including payments being no longer available for employees of child care services (from 20 July 2020), and those aged 16 or 17 had to be financially independent from their parents, or not studying full-time, to be eligible (from 11 May 2020).

On 28 September 2020, the program was extended by 6 months and changes were made to the JobKeeper Payment (referred to as JobKeeper Extension payment). To receive this payment, organisations now needed to show an actual decline in turnover during the September 2020 quarter compared with the 2019 September quarter, rather than an estimated or projected decline as required previously. The payment was also adjusted to \$1,200 for people who worked 80 hours in the 28 days prior to the employee reference date or \$750 for those who worked fewer hours.

continued

Box 4.2 (continued): JobKeeper Payment eligibility requirements

In January 2021, to be eligible for the JobKeeper Extension payment, organisations again needed to show an actual decline in turnover (during the December 2020 quarter compared with a comparable quarter in 2019) and the payment was adjusted to \$1,000 for those who worked 80 hours in the previous 28 days and \$650 for those who worked fewer hours.

The program ended on 28 March 2021.

See <https://treasury.gov.au/coronavirus/jobkeeper> for more information on the JobKeeper Payment.

Policy responses by states and territories

State and territory governments also introduced a range of measures to slow the spread of COVID-19 in their jurisdiction. This included tightening and easing of restrictions in response to changes in COVID-19 case numbers, as well as jurisdiction-specific economic support packages (a mix of Australian and state and territory government payments) for regions most affected by restrictions. The Victorian Government, for example, announced in May 2021 the Circuit Breaker Business Support Package, a \$500 million support package for small to medium businesses and sole traders (Business Victoria 2021).

Employment policy responses in comparable countries

Like Australia, other countries also took precautionary measures in early 2020 to prevent the spread of COVID-19, such as social distancing measures, closure of businesses and schools, and border closures. Each government's response to the crisis had impacts on employment levels and the economy.

According to the Organisation for Economic Co-operation and Development (OECD), job retention schemes were one of the main policies used by OECD countries to protect economies and contain employment fall-out due to COVID-19 restrictions. However, countries took different approaches to these schemes (OECD 2020). For example:

- Germany, France and the United Kingdom implemented short-time work schemes that directly subsidised hours not worked
- Australia, New Zealand and Canada (and others) introduced a wage subsidy to subsidise hours worked and to top up the earnings of those employees on reduced hours. Wage subsidy schemes are not conditional on a reduction in working hours.

The aim of both schemes are job retention and to help place economies in 'hibernation', allowing them to return quickly after COVID-19 restrictions ease (Arthur 2020; OECD 2020).

New Zealand had 2-tiered systems for full-time and part-time workers and, if the wage subsidy was more than the employee's usual salary, the difference had to be paid back (Work and Income 2020). Canada announced a 75% wage subsidy for qualifying businesses for up to 3 months. Dependency on these schemes differed between countries. By the end of May 2020, the share of dependent employees was around 65% in New Zealand, 30% in the United Kingdom, 25% in Australia and 15% in Canada (OECD 2020).

How did COVID-19 impact on employment in Australia?

Employment underpins the economic output of a nation and enables people to support themselves, their families and their communities. It is also tied to physical and mental health and is a key factor in overall wellbeing. Given this, it is important to understand and monitor the impacts on employment and work of the widespread social distancing and other business related restrictions to slow the spread of COVID-19 in late March 2020. The restrictions on social gatherings and the cessation of a range of activities (including the operation of registered and licensed clubs, licensed premises in hotels and bars, and entertainment venues such as cinemas and casinos) along with restrictions placed on cafés and restaurants are likely to have had a substantial impact on employment levels in Australia.

Data from the Australian Bureau of Statistics (ABS) Labour Force Survey (LFS) support routine reporting of standard measures of labour force participation (including employment, unemployment and underemployment). When analysing changes in employment over the medium and long term, it is important to take the size of the population into account. One way to do this is to monitor employment trends (employment-to-population ratio or employment rate) in the working-age population (those aged 15–64) in addition to the more common focus on the unemployment rate and the level of employment for those aged 15 and over (see Box 4.3 for more details).

This section presents information on these measures, focusing largely on how they changed during the COVID-19 pandemic (covering the period from March 2020 to May 2021, the latest available data at the time of writing). It also examines whether some population groups, such as young people, females and those living in urban areas, were more affected than other groups. Understanding the impacts on different demographics is important for providing adequate support and informing economic policy to help those most adversely affected.

Box 4.3: Labour force data sources and definitions

Data from the ABS LFS (see <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release>) are used to report on measures of participation in the labour market – employment, unemployment and underemployment. The information presented in this article uses the original and seasonally adjusted data series where available.

The measures included in this article are defined as:

Employment rate (also known as the employment-to-population ratio) describes the number of employed people as a proportion of the civilian population. For the purposes of this article, the employment rate refers to the working-age population, those aged 15–64. This age restriction has been applied as it is important to account for the size of the population when monitoring longer term trends in employment rates, given the growth in the aged population (those aged 65 and over) in recent decades.

Unemployment rate describes the proportion of the population aged 15 and over in the labour force who are unemployed. Unemployed is defined as those not employed in the survey reference week who had:

- either actively looked for work in the last 4 weeks and were available for work in the reference week
- or had been waiting to start a new job within the last 4 weeks and could have started had it been available.

Underemployment rate describes the proportion of the population aged 15 and over in the labour force who were underemployed. Underemployed is defined as those who are either:

- employed part time who want to work more hours and are available to start working more hours within the next 4 weeks or
- employed full-time but worked fewer than 35 hours during the survey reference week for economic reasons (including being stood down or insufficient work being available).

Labour force participation rate describes the proportion of the population aged 15 and over who are in the labour force (employed or unemployed). For the purposes of this article, the labour force participation rate refers to the working age population, those aged 15–64.

See *Standards for Labour Force Statistics* (ABS 2018) for more details on these labour force definitions.

continued

Box 4.3 (continued): Labour force data sources and definitions

JobKeeper and JobSeeker Payments and ABS LFS definitions

People who received the JobKeeper Payment were counted as being employed in the ABS LFS, as the LFS considers people to be employed if they were away from their job for any reason (including if they were stood down) and were paid for some part of the previous 4 weeks (including through the JobKeeper scheme) (ABS 2020b).

People who received the JobSeeker Payment were classified in the ABS LFS based on their labour market activity. Because of COVID-19, the mutual obligation requirements that people till then ordinarily had to meet to receive the JobSeeker Payment (which could include looking for work or studying) were suspended in March 2020; they have been gradually re-introduced since August 2020.

These changes may have influenced whether people were actively searching for jobs – which would affect whether they were classified as ‘unemployed’ or ‘not in the labour force’ in the ABS LFS. They would, however, remain as ‘not employed’ in the ABS LFS unless they actually had a job.

Employment was rising before April 2020

Since February 1978, when the current Labour Force series began, the employment rate has shown an upward trend, associated with rises in female labour force participation. However, over this time, there have been several economic downturns – the early 1980s and 1990s recessions and the 2008–09 global financial crisis (GFC) – that have resulted in falls in the employment rate. Following the GFC, the seasonally adjusted employment rate for those aged 15–64 fell from 73% in 2008 to 72% for most of 2009 through to early 2017 before gradually increasing to 74% between 2018 and March 2020. While the female employment rate in the first 3 months of 2020 (71%) was the highest it had been over the preceding 40 years, the employment rate for males (79%) was lower than it was for most of 2007 and 2008 (80%) before the GFC, and considerably lower than it was in the late 1960s (83% in 1966–1967; ABS 2007).

Since the late 1970s, the seasonally adjusted unemployment rate has fluctuated between 4–11% due to a number of economic downturns and recoveries. However, since reaching a peak of around 10–11% in the early 1990s, it has been on the downward trend, falling to around 4% for most of 2007 and 2008. Following the GFC, it increased to 6% for most of 2009 and has generally remained around 5–6% between 2010 and 2020. The unemployment rate ranged from 5.4% to 5.0% from May 2018 to February 2020 (5.1%) just prior to the onset of the pandemic.

The underemployment rate has also been influenced by the economic downturns in the early 1990s and the GFC, fluctuating around 6–7% (seasonally adjusted) between 1991 and early 2009, increasing to 8% in 2009 and then remaining around 8–9% between 2014 and March 2020 (8.8% in March 2020). These long-term trends have largely been driven by the underemployment of part-time workers, reflecting the increased share of part-time employment in the labour market and growing underemployment among part-time workers. More recently, employers have increasingly tended to adjust their workforce by changing the hours of existing employees, rather than by changing the total number of employees. This has also contributed to the increase in underemployment in Australia (Chambers et al. 2021).

Over the last 40 years, the female labour force participation rate for those aged 15–64 has generally been rising (from 50% to 74% between March 1978 and March 2020) while the male labour force participation rate for those aged 15–64 has been slowly falling (from 87% to 83%).

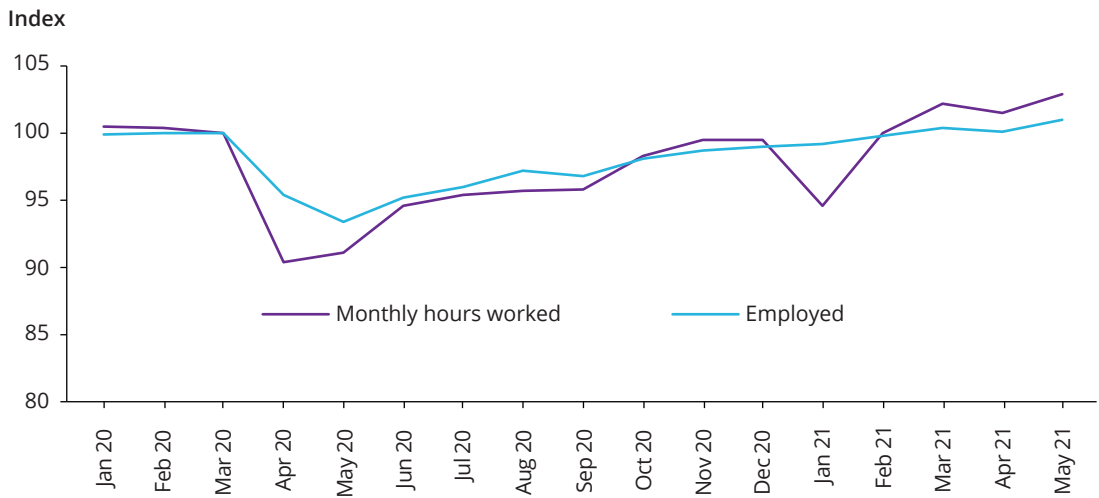
For more details on these long-term trends, see ‘Employment and unemployment’ at www.aihw.gov.au/reports/australias-welfare/employment-unemployment.

Steep fall in employment in April 2020, recovered, and at record high by May 2021

In interpreting changes in the ABS LFS statistics on employment and work in 2020 and 2021, it is important to consider the impact of the JobKeeper wage subsidy. Recipients of this subsidy continued to be paid by their employer and therefore were considered to be employed in the labour force data even if working zero hours. This wage subsidy kept some people officially ‘in employment’ who otherwise may have been made redundant and therefore likely to be unemployed or be outside the labour force (discussed further in the next section and in boxes 4.2 and 4.3). JobKeeper ended in March 2021, so labour force data from April 2021 onwards are no longer directly subject to this effect.

Following the announcement of restrictions on social gatherings and the cessation of a range of activities, the number of employed people aged 15 and over (seasonally adjusted) fell by 592,100 between March and April 2020. This was by far the largest monthly fall in employment since the current Labour Force series began in February 1978. Employment declined by a further 264,800 in May 2020 but then increased every month to May 2021, except for a fall of 45,600 in September 2020 and another fall of 30,700 in April 2021. While employment fell rapidly in April and May 2020, by May 2021, the number of employed people had recovered to above its March 2020 level, with an additional 130,400 employed people in May 2021 than in March 2020 (Figure 4.2).

Figure 4.2: Hours worked and employment index, January 2020 to May 2021 (March 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing seasonally adjusted monthly hours worked and number of employed people between January 2020 and May 2021 as a proportion of total hours and number of employed for March 2020.
2. Data are seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021f: Chart 1).

The large reductions in employment in April and May 2020 led to marked reductions in the seasonally adjusted employment rate for people aged 15–64, falling from 74.4% in March 2020 to 69.7% in May 2020. The employment rate steadily increased thereafter to 75.5% in May 2021, exceeding the previous high level in January 2020 (74.5%) and reaching its highest level since the current labour force series commenced in February 1978.

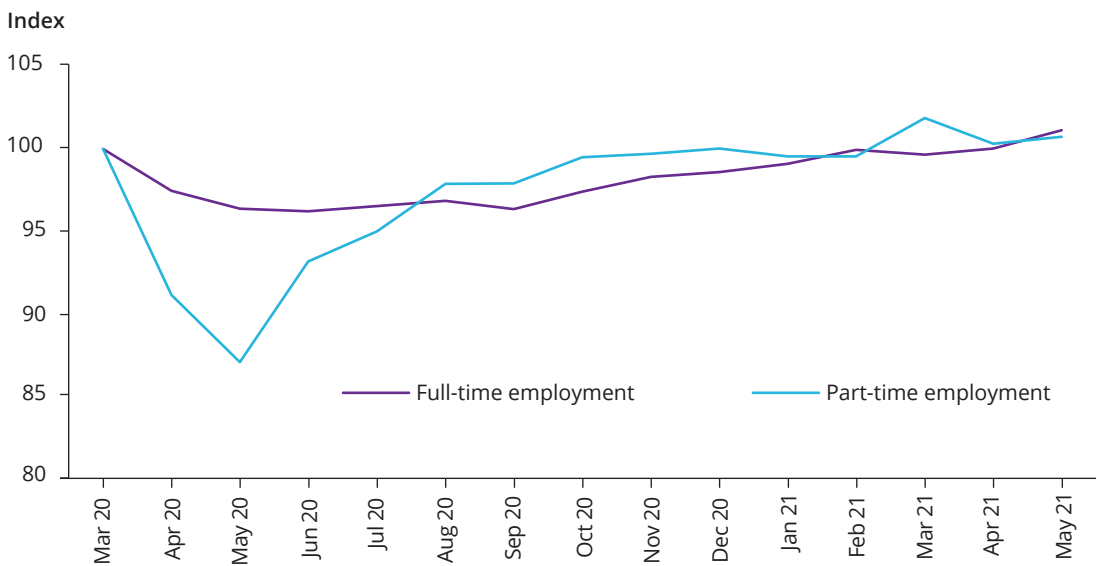
Job losses were associated with a spike in the number of people who were retrenched in the quarter to May 2020, at the height of the COVID-19-related social distancing and other business-related restrictions. In the quarter to May 2020, the retrenchment rate was 4.4% (or 573,400 retrenchments), the highest since August 2014 (when the current series on retrenchment commenced) and almost 4 times as high as the quarter to February 2020 (148,100 retrenchments or 1.1%). It then declined in each quarter to May 2021 – from 2.4% in August 2020 to 0.8% (or 99,900 retrenchments) in May 2021, which was below the pre-pandemic levels (48,200 fewer people retrenched than in the quarter to February 2020; ABS 2021h:Table 29a).

Additional measures were developed during the COVID-19 period to assess unemployment and loss of work. One such composite measure was the 'effective unemployment rate', developed by the Department of the Treasury. This measure includes unemployed people, those who have recently withdrawn from the labour force and those still connected to their employer but working zero hours. The effective unemployment rate peaked at around 15% in April 2020; it then declined to around 14% in May 2020 and then to 11% in June 2020, as restrictions started to ease and employment increased, with fewer people working zero hours (Kennedy 2020).

Another way to look at trends in employment is to focus on monthly aggregate hours worked. This is important as people on JobKeeper were counted as employed even if working zero hours. As shown in Figure 4.2, between March and April 2020, seasonally adjusted monthly hours worked declined by almost 10% but rose almost every month from April 2020 to May 2021. The exception to this was a fall in January 2021 (declined by 5.4% of March 2020 levels or a monthly fall of 5.1%) and April 2021 (monthly fall of 0.7% but still 1.5% higher than March 2020 levels). These falls in hours worked are associated with a larger number of people than usual taking leave over January 2021 and the Easter holiday period (ABS 2021f). Hours worked in May 2021 were 2.9% higher than hours worked in March 2020.

Looking at the pattern of working hours, it is worth noting that the number of people in part-time employment fell at a much faster rate than those in full-time employment between March and May 2020 – a 13% decline compared with a 3.6% decline for full-time employment (Figure 4.3). From May 2020, the number of people in part-time employment increased and, by December 2020, seasonally adjusted levels were similar to those in March 2020. By May 2021, 30,300 more people were in part-time employment than in March 2020. While overall part-time employment grew at a faster rate than full-time employment in the 12 months to May 2021 (16% compared with 4.9%), since September 2020, full-time employment has been growing at a faster rate (5.0% increase compared with 2.9% for part time employment between September 2020 and May 2021).

**Figure 4.3: Full and part-time employment index, March 2020 to May 2021
(March 2020=100)**



Notes

1. The data in this figure are presented in the form of an index, representing the number of people in full-time and part-time employment between March 2020 and May 2021 as a proportion of people in full-time and part-time employment in March 2020.
2. Data are seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021i: Table 1).

The number of people who worked zero hours for economic reasons rose dramatically between March and April 2020 (a 10-fold increase from 76,400 to 766,800), at the height of the COVID-19-related shutdowns and restrictions. It has since fallen in most months to May 2021, except for an increase in August 2020 and January–February 2021, reflecting the tighter restrictions imposed to control the COVID-19 outbreaks in specific areas. In May 2021, the number of people working zero hours (58,200) has remained relatively stable since March 2021 and below the levels observed in March 2020 (ABS 2021f: Chart 6).

Casual employment fell to its lowest level in 30 years

The term ‘casual work’ is used to describe a large variety of work arrangements, and typically includes employees who do not tend to have leave entitlements (such as paid sick leave or annual leave). Such entitlements are usually for non-casual or permanent employees (ABS 2020c). Note that, in March 2021, a specific definition for casual work was introduced (Fair Work Ombudsman 2021). However, data presented in this section are based on currently available data from the ABS LFS on employees without leave entitlements that are used as a measure of casual employment.

The share of all employees employed on a casual basis in Australia grew from the late 1980s to the early 2000s (28% in August 2003) but remained relatively steady in the 6 years to February 2020 (around 24–25%). It fell to 20.6% in May 2020, the lowest rate since August 1991 (ABS 2020c). By May 2021, this share had risen to 23.7%, almost the same level as in February 2020 (24.1%; ABS 2021h: Table 13).

Casually employed workers accounted for nearly two-thirds (63%) of the job losses between February and May 2020 (ABS 2020a). Over this period, the number of casual employees fell by 21%, compared with a 2.6% drop in the number of employees who were not casually employed (that is, those with leave entitlements). From May 2020, the number of casually employed workers steadily increased from 2.1 million to 2.6 million by May 2021, slightly below the numbers seen in February 2020 (25,300 fewer).

Total hours worked by casual employees fell by 28% between February 2020 and May 2020, compared with a decrease of 6.1% for non-casual employees. By May 2021, hours worked for casual employees were still below pre-pandemic levels (1.2% lower than in February 2020) while hours worked for non-casual employees were 0.9% higher than in February 2020 (ABS 2021h: Table 13).

Steep initial rise in unemployment and underemployment, but recovered to below pre-pandemic levels by May 2021

In March 2020, before the business shutdowns associated with the COVID-19 pandemic, the seasonally adjusted unemployment rate was 5.3% for the population aged 15 and over. This rate increased to a peak of 7.4% in June and July 2020, and then gradually declined to 6.4% in January 2021. It fell further to 5.1% in May 2021, below the level observed in March 2020 (Figure 4.4).

These unemployment rates equate to an increase of 280,600 unemployed people between March and July 2020 (from 723,500 to 1.0 million over this period).

The number of people unemployed then fell by 303,000 between July 2020 and May 2021 (to 701,100 in May 2021).

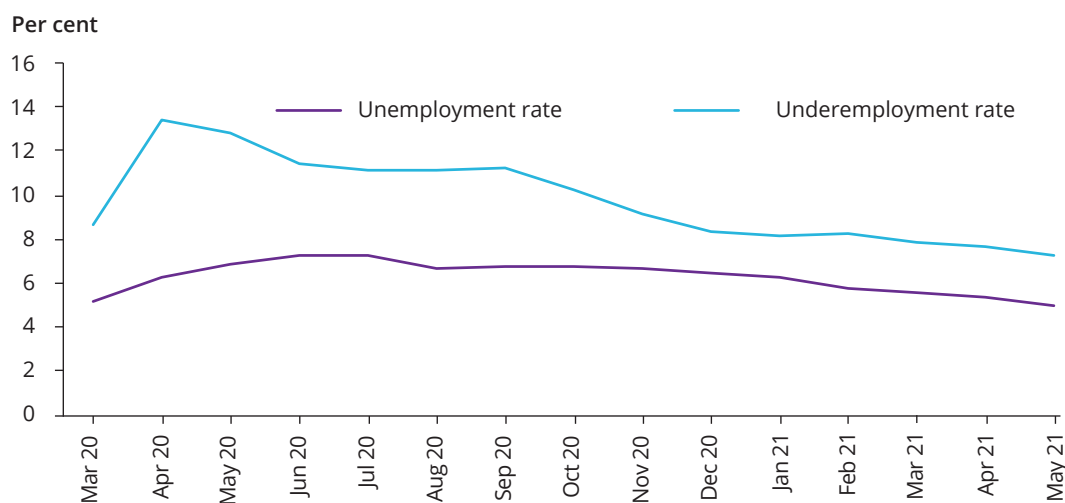
The underemployment rate followed a similar pattern, with large increases over the earlier months of the COVID-19 pandemic, but, by May 2021, was below the level observed in March 2020. The seasonally adjusted underemployment rate for the population aged 15 and over increased from 8.8% in March 2020 to a peak of 13.6% in April 2020, before gradually falling to 7.4% in May 2021, below the level before COVID-19-related business restrictions were imposed (Figure 4.4). The peak of 14% in April 2020, was the highest on record and almost twice as high as the rate observed over the average of the previous 20-year period (7.3%).

In terms of the number of people affected, those who were underemployed increased from 1.2 million in March 2020 to 1.8 million in April 2020 (an increase of 601,200 people) and then steadily declined to 1.0 million in May 2021.

This initial increase, and subsequent decrease, in the underemployment rate, was largely driven by reductions in hours for full-time workers for economic reasons, as there was little change over this period in the underemployment rate among part-time employees (Chambers et al. 2021). This suggests that the COVID-19 pandemic had a large impact on hours worked and a minimal impact on the preferences of part-time employed people for more hours (ABS 2021j).

Because full-time employed people who work part-time hours (that is, fewer than 35 hours) in the reference week for economic reasons count as underemployed, the introduction of the JobKeeper Payment is likely to have caused a spike in the underemployment rate (some people on JobKeeper worked zero or reduced hours). This should be taken into consideration when interpreting underemployment data. The JobKeeper Payment also had a protective effect in keeping employees connected to their employers; without this, it is likely that there would have been a larger increase in the unemployment rate over this period.

Figure 4.4: Unemployment and underemployment rate, people aged 15 and over, March 2020 to May 2021



Note: Data are seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021i: Table1, Table 22).

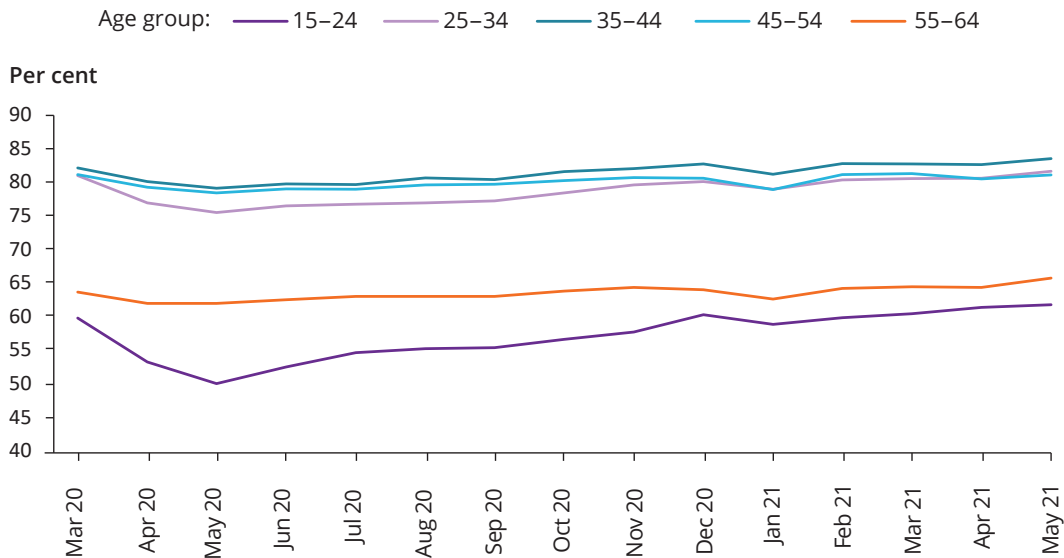
Labour force outcomes worse for young people than older age groups but all age groups had recovered by May 2021

Young people aged 15–24 accounted for 38% of the 856,900 decrease in employment between March and May 2020 and experienced the steepest rise in the unemployment rate. Young people were particularly affected by loss of work during this time, as they were more likely to work in industries hardest hit by social distancing measures (for example, retail, hospitality and recreation). As well, a considerable share of young people are employed on a casual basis and, to be eligible for JobKeeper, casual employees had to have worked with their employer on a regular and systematic basis for 12 months. This was because the JobKeeper Payment was targeted at supporting those employees who had an ongoing connection with their nominated employer. This meant that a large share of young people were ineligible for the payment (Klapdor & Giuliano 2020). On the other hand, young people did benefit from the Coronavirus Supplement income support payment.

Young people had the steepest drop in employment rates

Between March and May 2020, the employment rate for young people aged 15–24 fell from 60% to 50%, the lowest rate since the Labour Force series began in 1978 (it ranged from 54% in August 1993 to a high of 67% in late 2007). This was the largest fall of all age groups over this period, followed by that for those aged 25–34 (from 81% to 76%). The employment rate for all other age groups fell by 2–3 percentage points between March and May 2020 (Figure 4.5).

The employment rate for those aged 15–24 began recovering after this low in May 2020, reaching 62% by May 2021, above the level in March 2020. In May 2021, all age groups had employment rates that were above March 2020 levels, before the introduction of business restrictions, except the 45–54 age group where employment rates were similar.

Figure 4.5: Employment rate, by age group, March 2020 to May 2021

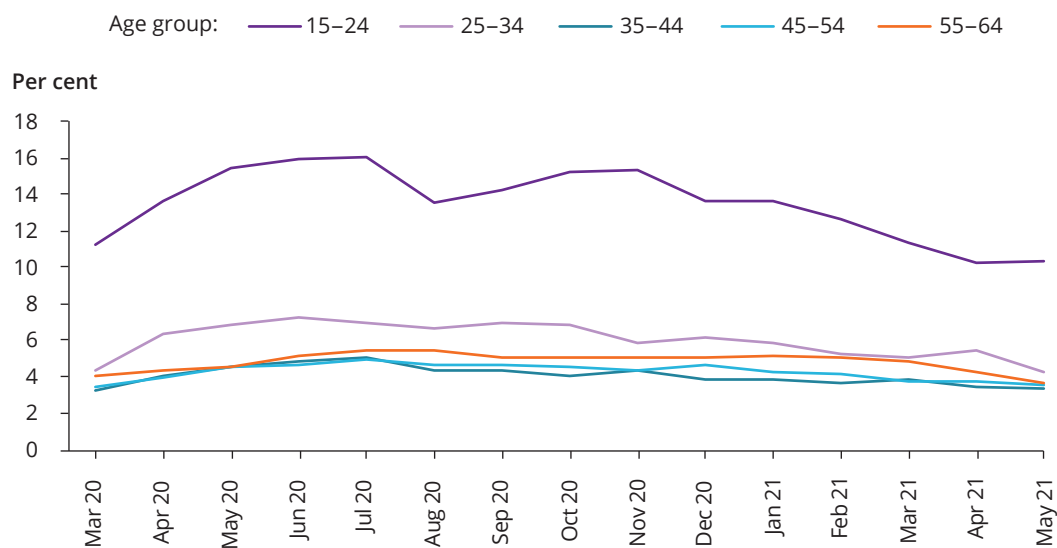
Note: Data are based on the original Labour Force series and are not seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021h: Table 1).

Unemployment rates for young people the highest in over 20 years

The seasonally adjusted unemployment rate for young people aged 15–24 increased from 11.6% in March 2020 to a high of 16.4% (or 344,700 unemployed youth) in July 2020, the highest rate since February 1997 (when the youth unemployment rate was 16.5%). After this initial spike, it then generally declined and returned to below pre-COVID levels by April 2021. In May 2021, the youth unemployment rate was 10.7%, which equates to 24,800 fewer unemployed young people than in March 2020.

The unemployment rate for the 25–34 age group also rose steeply between March and June 2020 (from 4.7% to 7.6%) and then fell to 4.6% by May 2021, while for the other age groups the relative growth in rates was slower (Figure 4.6).

Figure 4.6: Unemployment rate, by age group, March 2020 to May 2021

Note: Data are seasonally adjusted, except for the 55-64 age group.

Source: ABS Labour Force Survey (ABS 2021i: Table 22).

The seasonally adjusted underemployment rate for young people aged 15-24 rose from 19.2% in March 2020 to a peak of 23.6% in April 2020, the highest since the current Labour Force series began in February 1978. It has steadily fallen since, with the rate in May 2021 (15.8%) below the level observed in March 2020 and similar to the level in May 2014. Other age groups also saw a large increase in the underemployment rates between March and April 2020 (7.3% to 14.1% for those aged 25-34 and 6.3% to 10.6% for those aged 35-44), but by May 2021 had also dropped to below March 2020 levels (6.3% and 5.8%, respectively; ABS 2021i: Table 22).

Labour force outcomes initially worse for females than males, but both males and females had recovered by May 2021

Females were particularly affected by loss of work during the initial months of the COVID-19 pandemic, as they were more likely to work as casual employees than males and more likely to work in public-facing industries, which were hardest hit by social distancing measures (for example, retail, hospitality and recreation) (Dados & Taksa 2020).

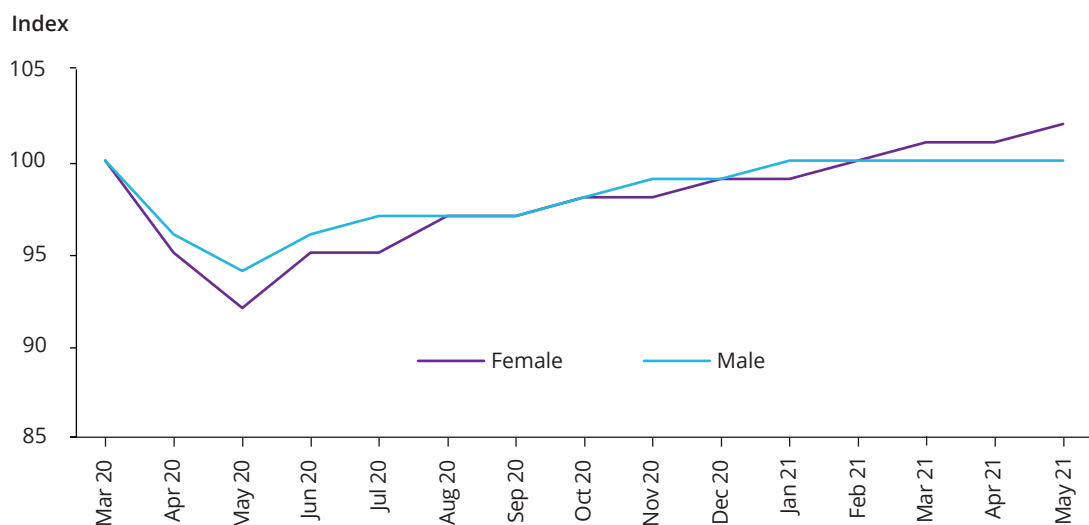
Female employment fell faster, recovered and was at a record high by May 2021

Female employment fell at a faster rate than male employment early in the pandemic (Figure 4.7). However, by early 2021, female employment was higher than it was in March 2020 while male employment remained at a similar level to what it had been in March 2020.

Between March and May 2020, at the height of the COVID-19 restrictions, the number of employed females (seasonally adjusted) fell at a faster rate than the number of employed males – a decline of 7.7% (from 6.2 million to 5.7 million) compared with a 5.6% decline for males (from 6.8 million to 6.5 million). However, between June 2020 and May 2021, female employment numbers increased at a faster rate than for males – by 7.4% or 428,700 compared with 4.9% or 320,100 for males. By May 2021, 97,500 more females were employed than in March 2020 (1.6% higher) and 32,900 more males (0.5% higher).

In terms of the seasonally adjusted employment rate, females aged 15–64 had returned to pre-pandemic levels by February 2021 while male levels had recovered by April 2021. Both males and females were above pre-pandemic levels by May 2021 – 72.0% for females and 79.1% for males, compared with 70.4% and 78.5% in March 2020, respectively.

Figure 4.7: Employment index, by sex, March 2020 to May 2021 (March 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing the number of employed males and females between March 2020 and May 2021 as a proportion of the number of employed males and females in March 2020.
2. Data are seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021i: Table 1).

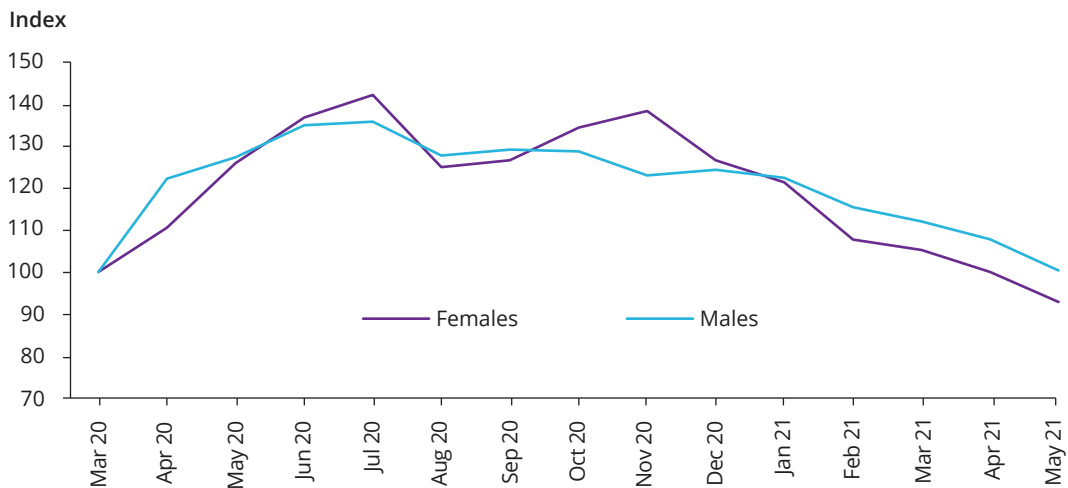
Male unemployment rates did not recover as quickly as female rates

As shown in Figure 4.8, between March and April 2020, the number of unemployed males (seasonally adjusted) rose at a faster rate than female unemployment (22% increase compared with 11%). Thereafter, changes in unemployment were relatively similar for males and females, except in November 2020 where growth in the number of unemployed females was steeper than for males (38% compared with 23%). By May 2021, the number of unemployed females was below pre-pandemic levels (23,900 fewer unemployed females than in March 2020) and male unemployment had returned to March 2020 levels.

The female unemployment rate increased from 5.2% in March 2020 to a peak of 7.5% in July 2020 and then fell to 4.7% in May 2021. The corresponding rates for males were 5.4%, 7.4% and 5.4%, respectively. The larger fall in employment and smaller increase in unemployment among females is reflected in a slightly steeper decline in the labour force participation rate among females than males aged 15–64 between March and May 2020 (from 74% to 70% for females and 83% to 80% for males) (ABS 2021i: Table 18).

While unemployment rates for males were generally higher than for females in the 14 months to May 2021, the underemployment rate for females has stayed consistently higher than that for males over this period, consistent with longer term trends. In March 2020, the seasonally adjusted underemployment rate was 7.1% for males and 10.6% for females. In April 2020, when pandemic-related restrictions began, the underemployment rate increased, reaching a peak of 12.4% for males and 15.0% for females, before declining to 6.3% for males and 8.7% for females by May 2021, below the pre-pandemic levels in March 2020 (ABS 2021i: Table 22).

Figure 4.8: Unemployment index, by sex, March 2020 to May 2021
(March 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing the number of unemployed males and females between March 2020 and May 2021 as a proportion of the number of unemployed males and females in March 2020.
2. Data are seasonally adjusted.

Source: ABS Labour Force Survey (ABS 2021i: Table 1).

Victoria and capital cities had largest falls in employment

Before the COVID-19 pandemic (between 2016 and early 2020) and in the first few months of the pandemic until August 2020, changes in the number of employed people had been relatively consistent across all states and territories. However, the Stage 4 restrictions in Melbourne (and Stage 3 restrictions in regional Victoria) led to diverging patterns between Victoria and the rest of Australia between August 2020 and May 2021.

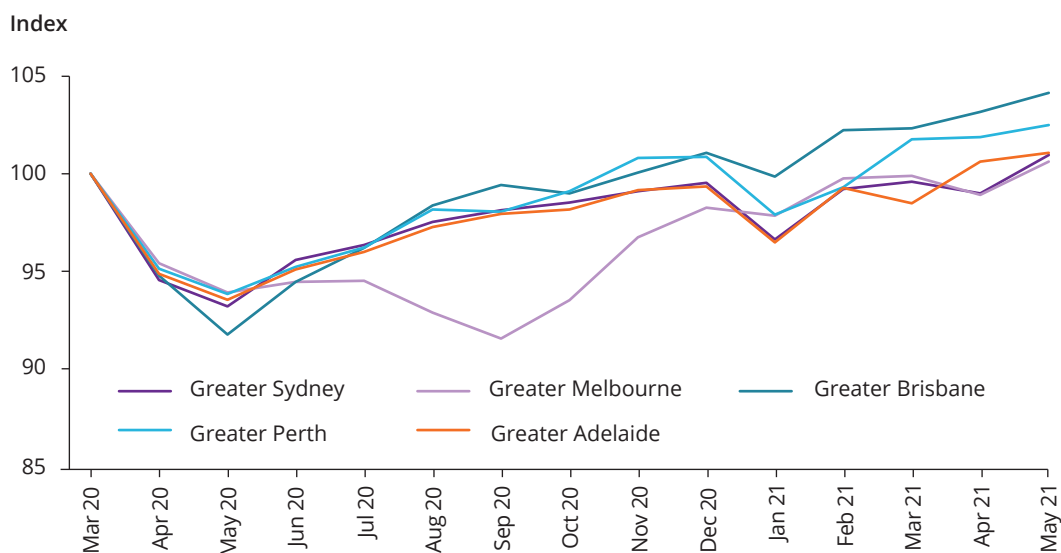
All states and territories saw a fall in employment in April 2020 (ranging from 5.3% in New South Wales and Queensland to 3.0% in the Northern Territory). In June and July 2020, the number of employed people increased in all states and territories except the Northern Territory. In August 2020, Victoria was the only state or territory to record a decrease (down 1.1%), while increases were observed in all other states and territories (from 1.3% in Tasmania to 4.1% in the Northern Territory). The divergence in data for Victoria from data for the rest of Australia in August 2020 reflects the introduction of tighter restrictions in Victoria in August 2020 to slow the spread of COVID-19 in that state.

Since October 2020, states have generally experienced an upward trend in employment across most of the months to May 2021, and the territories a slight decline. In May 2021, the numbers of employed people across all states and territories were similar to those in March 2020, except for the Northern Territory where the number of employed people was 4% lower than in March 2020 (ABS 2021i: Table 12).

Capital cities also experienced larger falls in the number of people employed than other areas during 2020. These analyses are focused on the larger capital cities: Sydney, Melbourne, Brisbane, Perth and Adelaide. As shown in Figure 4.9, from March to May 2020, the largest falls were observed in Brisbane, a fall of 8.2% (compared with a 6.1–6.8% fall in the other large capital cities). Since May 2020, employment has been generally increasing each month to May 2021, except in Melbourne in August and September 2020 where the fall in employment was one of the highest during the COVID-19 period (a fall of 7.2% and 8.4% from March 2020 levels).

This drop in employment coincided with the greater social distancing and business restrictions enforced in Victoria during the second wave of COVID-19. By May 2021, employment levels in these large capital cities were above the levels they were 14 months earlier, in March 2020 – in particular 4.1% higher in Brisbane and 2.5% higher in Perth than the March 2020 level for these cities.

Figure 4.9: Employment index for selected capital cities, March 2020 to May 2021 (March 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing employment numbers, by select capital cities, between March 2020 and May 2021 as a proportion of employment numbers for March 2020.
2. Data are based on the original Labour Force series and not seasonally adjusted data.

Source: ABS Labour Force Survey (ABS 2021h: LM1).

Some industries (such as hospitality and recreation) hit harder than others and had not fully recovered by May 2021

One way to examine the impact of the pandemic-related business closures on different industries is to look at hours worked. In May 2020, the industries with the largest decline in hours worked were accommodation and food services, and arts and recreation services (47% and 51% decline, respectively, since February 2020) (ABS 2021h: Table 11). While these industries have recovered somewhat since May 2020, hours worked are still below pre-pandemic levels (5.5% and 2.6% lower than February 2020 levels in May 2021). These industries were particularly affected by the social distancing measures and business restrictions/shutdowns to control the virus at various times during 2020.

Meanwhile, the electricity, gas, water and waste services industry was one of the few that saw an increase in hours worked after business closures were introduced. Hours worked in this industry rose by 23% from February to May 2020 and remained above February 2020 levels through to May 2021 (14% higher in May 2021).

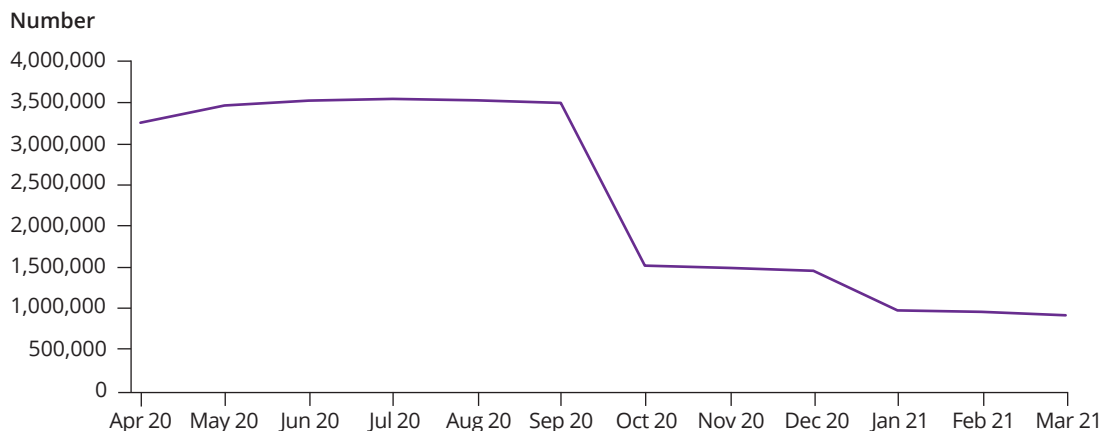
These results are also reflected in the ABS's Weekly Payroll Jobs and Wages in Australia data, which highlighted that the accommodation and food services, and arts and recreational services experienced the greatest job losses between 14 March and 11 April 2020 (35% and 30% decline, respectively). By 22 May 2021, job losses across many industries were continuing to recover, though accommodation and food services jobs were still down 9.8% from March 2020 levels (ABS 2021i: Table 4).

JobKeeper Payment introduced to keep businesses running and Australians in jobs

The JobKeeper Payment was designed to maintain the connection between employees and their employer (see previous section headed 'Policy responses to COVID-19'). The data on JobKeeper Payment receipt in this section are sourced from previously unpublished data from the Australian Tax Office, unless otherwise stated.

In April 2020, the first month of the JobKeeper Payment, around 3.4 million employees received the payment increasing to a peak of 3.7 million by July 2020, and then declining to 3.6 million by September. From October 2020, eligibility changes to the payment came into effect (referred to as JobKeeper Extension payment), such as organisations needing to show an actual decline in turnover rather than an estimated or projected decline as required previously (see Box 4.2 for further details on eligibility changes over the period of the payment). These changes and the general improvement in labour market conditions meant that the number of people receiving the JobKeeper Payment reduced from 1.6 million in October 2020 to 1.0 million by March 2021 (Figure 4.10).

Figure 4.10: Number of people receiving the JobKeeper Payment (April to September 2020) and the JobKeeper Extension Payment (October 2020 to March 2021)



Note: For JobKeeper Payment the number of individuals are estimated based on payment disbursements after repayments from entities. For JobKeeper Extension Payment the number of individuals is based on a processed application and for whom a payment has been disbursed.

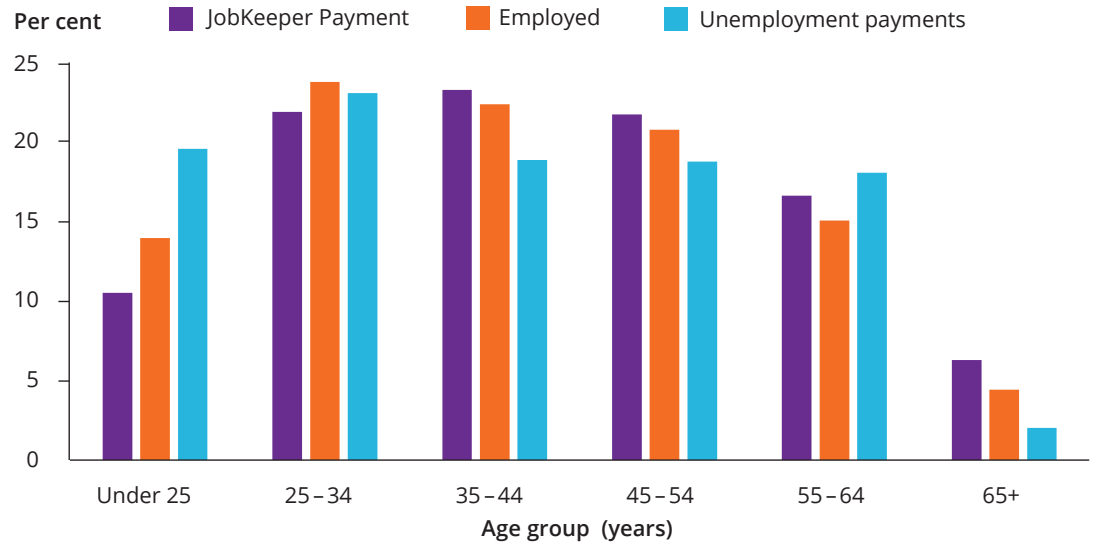
Source: AIHW analysis of previously unpublished data from the Australian Tax Office.

Young people under-represented in JobKeeper Payment coverage

Between April and September 2020, similar proportions of employees in age groups 25–34 (22%), 35–44 (23%) and 45–54 (22%) received the JobKeeper Payment – with these 3 age groups accounting for 2 in 3 employees receiving the payment. These age groups also accounted for a similar proportion of the employed population.

Despite young people being disproportionately affected by the economic downturn associated with COVID-19 shutdowns, only 10% of employees who received the JobKeeper Payment between April and September 2020 were aged 24 or under. This under representation in JobKeeper Payment receipt for young people may reflect the eligibility rules for JobKeeper – that is, a high proportion of young people were employed as casuals and to be eligible for the JobKeeper Payment, casual employees had to be employed on a regular and systematic basis for at least 12 months. While young people were less likely to receive the JobKeeper Payment, they did benefit from receipt of unemployment payments (JobSeeker Payment, including the Coronavirus Supplement) – young people accounted for almost 1 in 5 recipients of unemployment payments in April 2020, as shown in Figure 4.11. However, not as many young people reaped the benefits of the JobKeeper Payment as older age groups – that is, remaining connected with their employers during the temporary economic downturn and available to restart employment when required.

Figure 4.11: Age distribution of JobKeeper Payment recipients, unemployment payment recipients, and employed people, April 2020



Notes:

1. Unemployment payments include JobSeeker Payment and Youth Allowance (other).
2. For the JobKeeper Payment the proportions per age group are based on employees who were nominated by employers for the JobKeeper program and were listed as eligible in the month shown.

Sources: AIHW analysis of Australian Tax Office unpublished data; ABS Labour Force Survey (ABS 2021i: Table 22); Department of Social Services JobSeeker Payment and Youth Allowance recipients – monthly profile data.

Males more likely to receive the JobKeeper Payment and at the higher rate

According to ABS Household Impacts of COVID-19 Survey, JobKeeper Payment receipt in the first few months of the program differed by sex, with males more likely than females to receive the payment (with 13% to 16% of males aged 18 and over receiving it, compared with 9% to 13% of females between June and September 2020; ABS 2021d). There were minimal sex differences thereafter. However, males were more likely to report receiving the higher rate of payment than females between November 2020 (59% compared with 30%) and March 2021 (76% compared with 55%; ABS 2020e, 2021d). This is likely due to more males meeting the monthly hours of work requirement to qualify for the higher rate.

Working from home increased

As well as the closure of non-essential businesses, working arrangements for many of those who remained in jobs changed in order to reduce the spread of the COVID-19 virus. One key change was an increase in working from home.

According to the ABS's Household Impacts of COVID-19 Survey, there was a large increase in 2020 in the proportion of people aged 18 and over with a job who worked at least 1 day a week from home in the previous 4 weeks – from 24% in March 2020 to 46% in late April to early May 2020 before falling to 36% by May 2021 (ABS 2020d, 2021e: Table 22.1). The main reasons employed Australians worked from home in February 2021 were COVID-19 restrictions (12%), the availability of flexible work arrangements (11%) and to catch up on work (5.5%) (ABS 2021c).

How did COVID-19 affect income support payment receipt in Australia?

Adequate levels of income help a person support themselves, their family and the community more broadly. However, some people may not be able to earn enough income to meet the everyday costs of living, and therefore require government assistance. Government payments, such as income support and other payments, help those who may not be able to fully support themselves or would benefit from financial assistance at various stages of life.

The type of financial assistance a person receives often reflects their life circumstances at the time of receipt: payments are designed to assist those pursuing post-school learning, those unable to work (due to disability or caring responsibilities), those unable to find work, families with the cost of raising children, and rental costs (see Box 4.4 for further details). In 2017–18, almost 1 in 4 households (23%) reported government pensions and allowances as their primary source of income (ABS 2019).

As described earlier in this article, a number of government income support packages were introduced (the Coronavirus Supplement and expanded eligibility criteria to access the JobSeeker Payment) in response to the impacts on the labour market of the widespread social distancing and other business-related restrictions put in place to slow the spread of COVID-19 (see Box 4.1). Note that the JobKeeper Payment described in the previous section of this article was a wage subsidy through the tax system and not a social security income support payment.

This section examines the receipt of income support payments – in particular, changes in receipt of unemployment-related payments such as the JobSeeker Payment and the Youth Allowance (other) during the COVID-19 pandemic (covering the period from March 2020 to May 2021). It also explores whether some groups (young people, females and those living in particular areas) were more affected than others. Data are sourced from latest publicly available data (as at mid-July 2021) on income support receipt – Department of Social Services payment demographic data and Department of Social Services JobSeeker Payment and Youth Allowance monthly profile data– unless otherwise noted. The patterns and trends presented in this section should be considered in the context of the employment and JobKeeper Payment results presented in the previous section.

Box 4.4: Income support payments

The Department of Social Services administers social security payment policy in Australia and Services Australia delivers it. This article focuses on a specific category of social security payments called an ‘income support payment’ that are designed to serve as a recipient’s primary source of income. Individuals can receive only one income support payment at a time.

Income support payments are subject to means testing – as income and assets rise, the rate of payment is reduced towards zero. Some payments are also subject to activity tests; for example, to remain qualified for a payment, recipients of unemployment payments are required to actively look and prepare for work in the future. See Box 4.1 that includes further details on policy changes to specific payments during the COVID-19 pandemic.

In this article, income support payments include the Age Pension, student payments, unemployment payments (Newstart Allowance, JobSeeker Payment, Youth Allowance (other)), disability-related payments (Disability Support Pension, Carer Payment), and other income support payments.

Declining reliance on income support before 2020

In interpreting data on the number of people receiving income support payments (see Box 4.4), it is important to take the size of the population into account as, until the onset of the COVID-19 pandemic, Australia had one of the fastest rates of population growth among OECD countries. One way to do this is to examine receipt of income support payments to the size of the population aged 16 and over.

In 2019, the proportion of the Australian population aged 16 and over on income support was at its lowest level in 20 years (24% in June 2019 compared with a high of around 29% between June 2001 and 2003). This is consistent with the decline observed for the working age population, with income support receipt falling from 22% in 2001 to 15% in 2018 for the population aged 18–64 (AIHW 2019).

Over the period from 2001 to 2019, income support receipt has generally fallen, reflecting in part labour market conditions as well as reforms to the social security system, such as enhancements to mutual obligation requirements over the last decade. For more information, see 'Chapter 3 Income support over the past 20 years in *Australia's welfare 2019: data insights*' <https://www.aihw.gov.au/reports/australias-welfare/australias-welfare-2019-data-insights/contents/summary>.

These reforms, combined with a declining unemployment rate, influenced the large decline in the proportion of the population aged 16 and over in receipt of income support until 2008 (from 29% to 25% between June 2001 and June 2008). The GFC affected a slight reversal of this trend, with proportions increasing thereafter to 27% by June 2010; since 2015, however, the decline seen earlier has continued (from 27% to 24% in June 2019).

There were 235,200 fewer income support recipients in June 2019 than in June 2015, with declines varying somewhat across payments – recipients of unemployment-related payments (previously Newstart Allowance and Youth Allowance (other)) contributed 39% to this decline, parenting payments 26%, student payments 27%, and the Disability Support Pension and Carer Payment 18%. Further details on these long-term trends are available in 'Income and income support' at www.aihw.gov.au/reports/australias-welfare/income-support.

Reliance on income support increased during 2020

In the 12 months to March 2021 (latest available data at the time of drafting), the number of people receiving income support payments (such as unemployment, disability and age-related payments, and parenting payments) rose sharply. The rise in recipient numbers was steepest between March and June 2020, with 861,000 additional recipients (from 5.0 million to 5.8 million, or a 17% increase), reflecting the introduction of social distancing and business-related restrictions. Since June 2020, the number of income support recipients has been steadily declining, with 305,800 fewer recipients between June 2020 and March 2021. This downward trend reflects the easing of restrictions imposed to counter the COVID-19 pandemic. However, recipient numbers in March 2021 were still 11% higher (an additional 555,200 recipients or 5.5 million recipients in total) than in March 2020, before the impact of the COVID-19 pandemic on business in Australia.

The proportion of the population aged 16 and over receiving income support payments increased from 24% to 28% between March 2020 and June 2020; it then fell slightly to 27% in March 2021 but remained above the pre-pandemic levels in March 2020. The proportion in June 2020 was similar to the high levels observed in the early 2000s before the above mentioned overall decline – 28% compared with 28–29% in 2001–2005.

The rate of increase in income support receipt varied by payment type (Figure 4.12). Most (85% or 728,200) of this overall increase in recipient numbers between March and June 2020 was due to an increase in those receiving unemployment payments (defined as those receiving Newstart Allowance before 20 March 2020, JobSeeker Payment from 20 March, and Youth Allowance (other)).

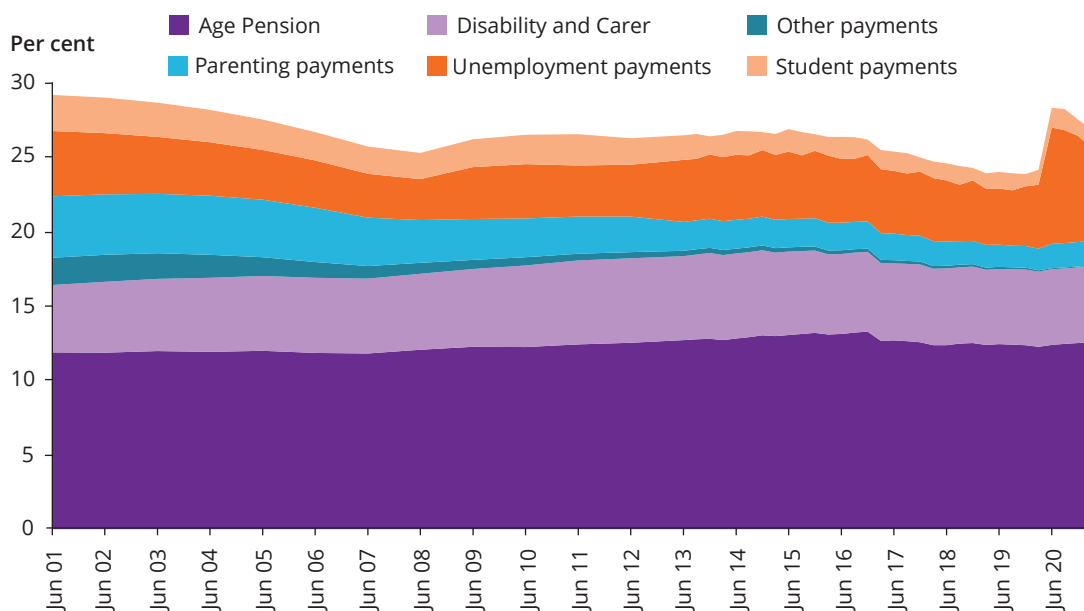
Over this 3-month period, the number of recipients of:

- unemployment payments rose by 82% (from 886,200 to 1.6 million, or from 4.3% to 7.8% of the population aged 16 and over)
- student payments rose by 32% (from 210,200 to 276,700, or from 1.0% to 1.3% of the population aged 16 and over)
- parenting payments rose by 12% (from 298,300 to 335,500, or from 1.4% to 1.6% of the population aged 16 and over), with this increase largely driven by a 36% increase in the receipt of Parenting Payment Partnered, from 67,600 to 92,000.

By March 2021, the proportion of people aged 16 and over receiving unemployment payments was 6.3%, student payments 1.2% and parenting payments 1.6%.

The number of recipients of Age Pension and disability-related payments (Disability Support Pension or Carer Payment) remained relatively stable over 2020, while recipients of other payments declined due to the closure of some small payments. The remainder of this section is focused on those receiving unemployment payments and student payments, given the large increases in these payments during 2020.

Figure 4.12: Proportion of people aged 16 and over receiving income support payments, by type of payment, June 2001 to March 2021



Notes

1. Data are as at the end of each corresponding month.
2. Data before 2013 may differ from data from official sources (www.data.gov.au) due to differences in methodology.
3. Before August 2020, unemployment payments included Newstart Allowance (before March 2020), JobSeeker Payment (from March 2020) and Youth Allowance (other). From August 2020, Sickness and Bereavement Allowance are also included in the JobSeeker counts.

Sources: AIHW analysis of Department of Social Services payment demographic data on www.data.gov.au (2014–2021); unpublished data constructed from Services Australia administrative data (2001–2013).

Steep rise in unemployment payment recipients, remaining above pre-pandemic levels to May 2021

Data on recipients of unemployment payments – the JobSeeker Payment (from 20 March 2020) for people aged from 22 to the Age Pension qualifying age and the Youth Allowance (other) for young people aged 16–21 – are available monthly over the period from 2019 to 2021 (as opposed to quarterly data for other income support payments).

The number of recipients of unemployment payments rose by 454,800 in April 2020 and by 289,900 in May 2020, reaching 1.6 million in May 2020. The numbers fell in most months since then to May 2021 but is still higher than it was before the COVID-19 pandemic. In May 2021, there were 1.1 million recipients of unemployment payments, 241,100 more or 27% higher than in March 2020 (891,300).

The proportion of the population aged 16 and over receiving unemployment payments almost doubled between March and May 2020 (from 4.3% to 7.9%); it remained relatively stable between May and August 2020, before steadily declining to 5.5% in May 2021. Receipt of unemployment payments in May 2021 is still higher than pre-pandemic levels (4.3% of the population aged 16 and over in March 2020). This is despite the number of people employed returning to above pre-pandemic levels by May 2021 (see previous section of this article).

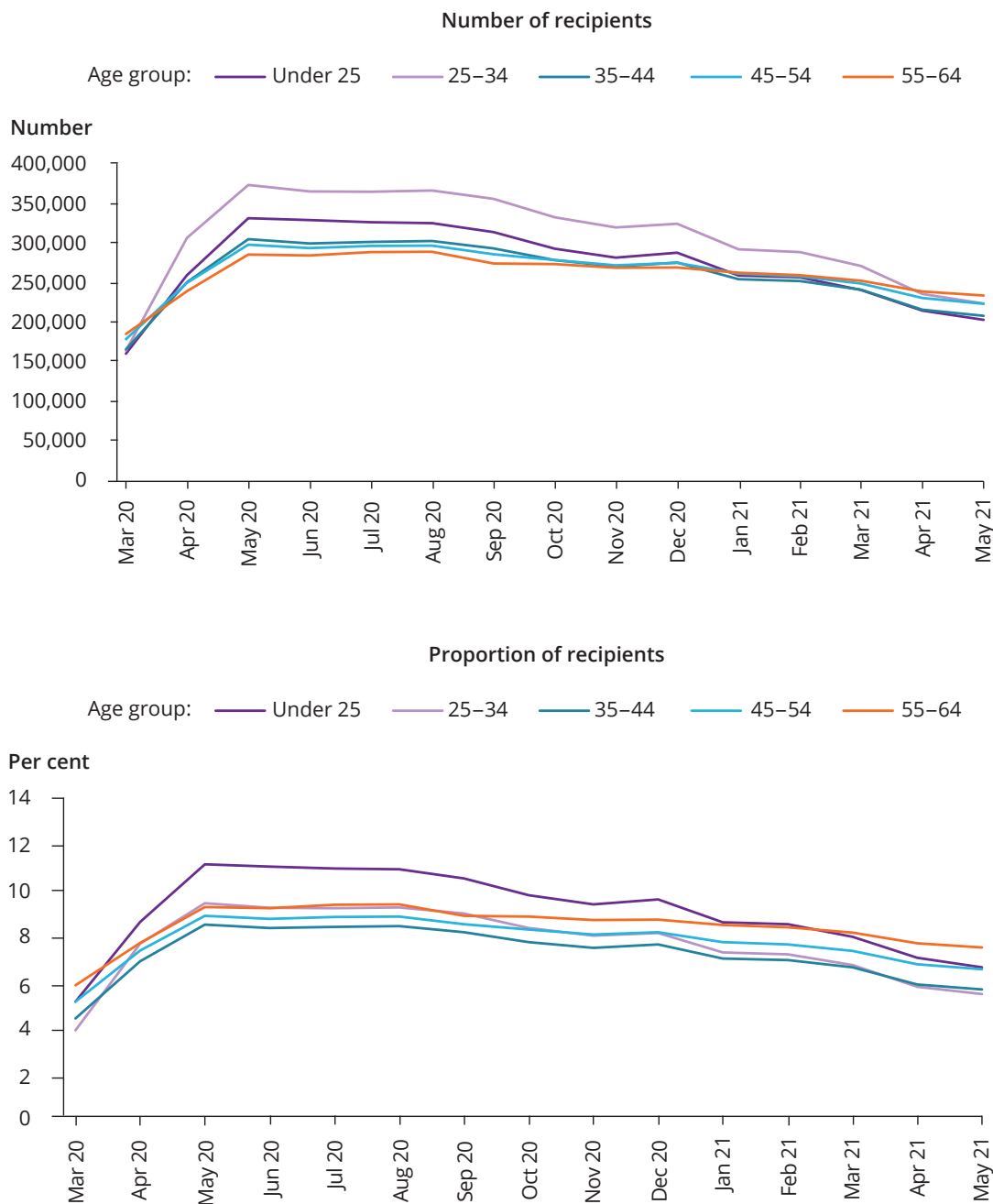
Young people (aged under 35) account for over half of this increase

Young people were particularly vulnerable to job loss in the wake of COVID-19 business restrictions, as they were more likely to work in industries hardest hit by social distancing measures (retail, hospitality and recreation) and more likely to be employed on a casual basis for under 12 months, making them ineligible for the JobKeeper Payment (Klapdor & Giuliano 2020). Access to government income support payments therefore became increasingly important for young people in 2020.

Young people aged under 35 accounted for half the increase in unemployment payments recipients between March and May 2020, despite accounting for only 37% of recipients in March 2020. Between March and May 2020, recipient numbers rose by 106% for those aged 16–24 (from 162,000 to 333,600) and by 126% (from 166,100 to 375,400) for those aged 25–34 (Figure 4.13). This equates to an increase from 5.6% to 11.5% and from 4.3% to 9.8% of the population aged 16–24 and 25–34, respectively, receiving unemployment payments over the March to May 2020 period. The relative growth in proportions were slower for other age groups, increasing from 4.8% to 8.9% for those aged 35–44 and 5.6% to 9.3% for those aged 45–54.

Between June 2020 and May 2021, the numbers and proportions fell for most months across all age groups, with the decline steeper for young people than other age groups. However, numbers and proportions across all age groups in May 2021 were still higher than pre-pandemic levels in March 2020 – for example, 7.0% compared with 5.6% for those aged 16–24 and 5.9% compared with 4.3% for those aged 25–34 (Figure 4.13).

Figure 4.13: Number and proportion of people receiving unemployment payments, by age group, March 2020 to May 2021



Note: The data in this figure includes JobSeeker and Youth Allowance (other) recipients only between March and July 2020. From August 2020, Sickness and Bereavement Allowance are included in the JobSeeker counts.

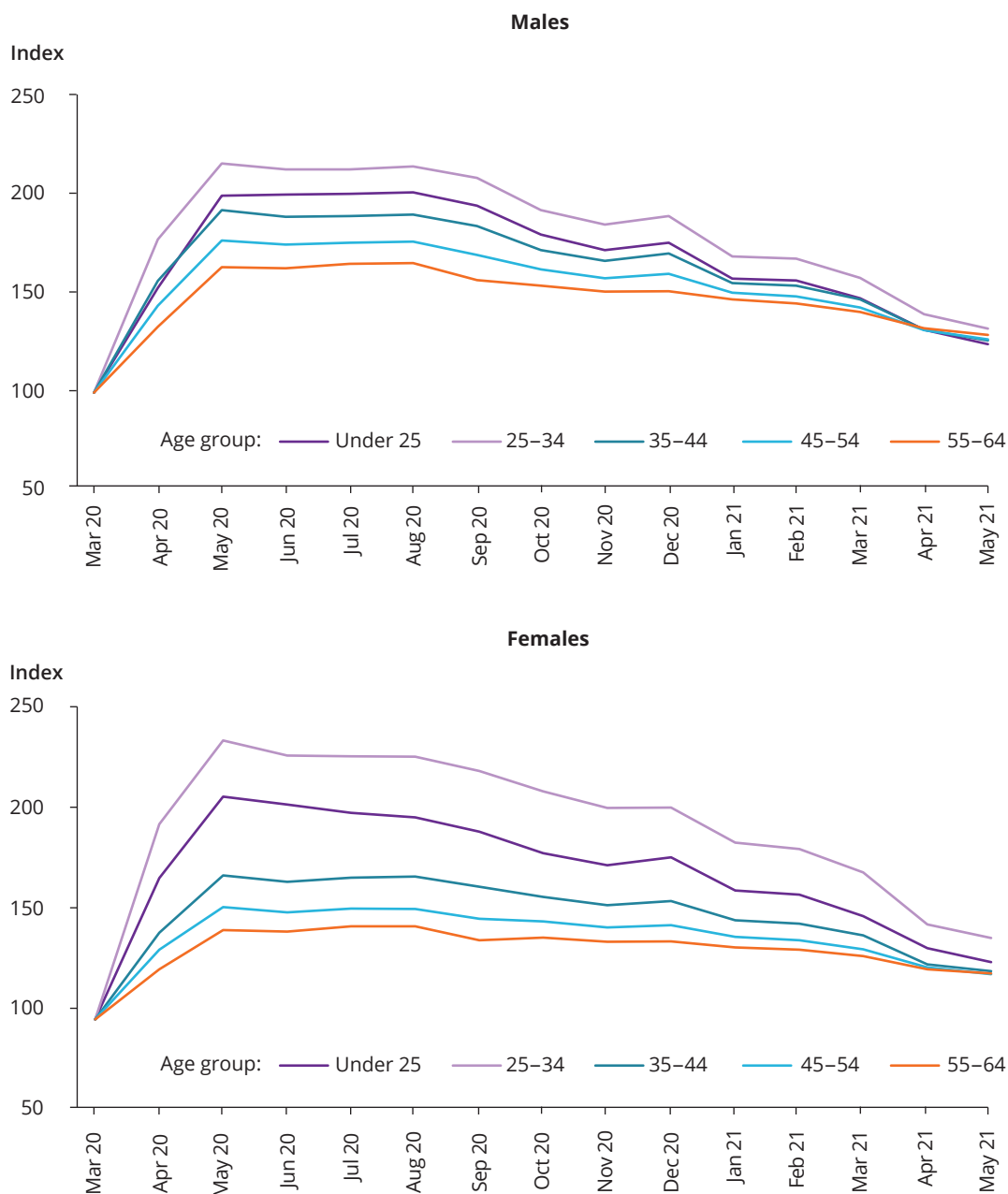
Source: AIHW analysis of Department of Social Services JobSeeker Payment and Youth Allowance recipients – monthly profile data.

Receipt higher for males, but young females with largest increases

Females are more likely than males to work as casual employees and in public-facing industries (such as retail, hospitality and recreation) that were hardest hit by social distancing measures during the COVID-19 pandemic. As a result, in the early months of the pandemic, females experienced large job losses and were less likely to receive the JobKeeper Payment (as discussed in previous sections), leading to an increased need for income support payments.

Overall, male recipients accounted for over half (55%) of the growth in recipients of unemployment payments between March and May 2020 (413,400 of 749,100 additional recipients). While more males received unemployment payments than females across most age groups in 2020, recipient numbers increased faster for young females than young males during 2020, as shown in Figure 4.14. Among young females aged 25–34, recipient numbers were 2.4 times as high in May 2020 as in March 2020, compared with a corresponding rise of just over twice as high among males of the same age. This higher rate of increase among females aged 25–34 was observed every month during 2020. This pattern was also observed for the 16–24 age group, although to a lesser extent. For all other age groups, the increase in recipient numbers from March 2020 to May 2021 was higher for males than females.

Figure 4.14: Recipients of unemployment payments index, by sex and age group, March 2020 to May 2021 (March 2020=100)



Note: The data in this figure are presented in the form of an index, representing the number of male and female unemployment payment recipients between March 2020 and May 2021 as a proportion of male and female unemployment payment recipients in March 2020.

Source: AIHW analysis of Department of Social Services JobSeeker Payment and Youth Allowance recipients – monthly profile data.

Majority of growth in recipients occurred in major cities

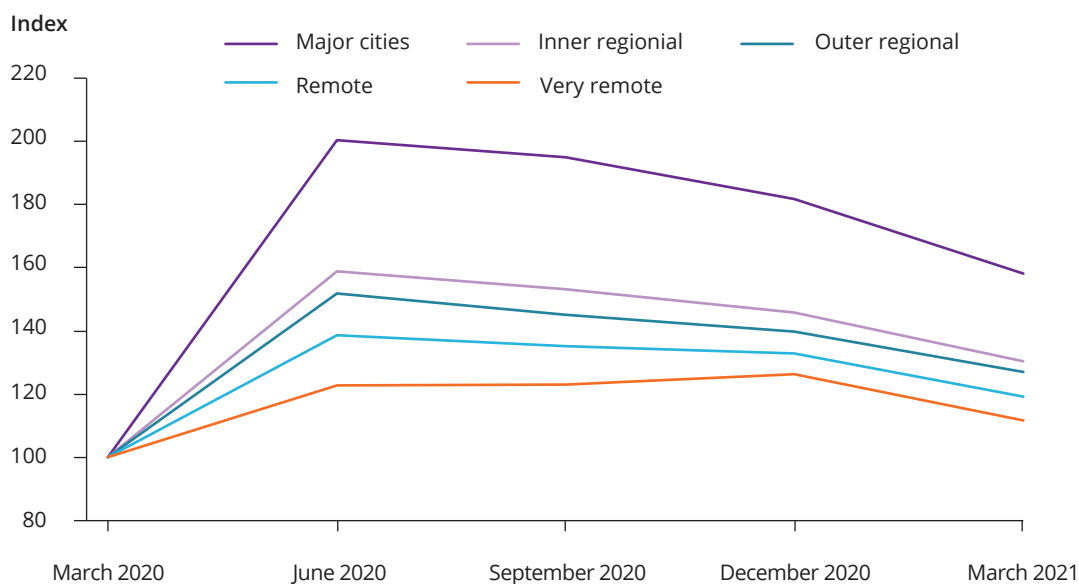
Publicly available income support data are available at the Statistical Area Level 2 which, when combined with the ABS geographical concordance files, can be used to assign remoteness categories.

As shown in Figure 4.15, between March 2020 and June 2020, the number of unemployment payment recipients increased across all areas, with the fastest rate of increase observed in *Major cities* – recipient numbers doubled compared with smaller increases in other areas (30% increase in *Remote and very remote* areas and 56% in *Inner and outer regional* areas). Recipient numbers then gradually declined across all areas between June 2020 and March 2021, but were still higher in March 2021 than pre-pandemic levels in March 2020 – 58% higher in *Major cities*, 29% higher in *Inner and outer regional* areas, and 15% higher in *Remote and very remote* areas.

These large increases in unemployment payment recipients led to the proportion of the population aged 16 and over receiving unemployment payments in *Major cities* doubling – from 3.7% to 7.4% between March and June 2020; it then fell to 5.9% by March 2021. Smaller increases in the proportion of recipients were observed in the other areas (from 5.8% to 9.0% to 7.4% in *Inner and outer regional* areas, and from 10.3% to 13.4% to 11.9% in *Remote and very remote* areas).

The steep initial rise in income support recipients living in urban centres is consistent with the large falls in employment occurring in these areas (see previous section). These patterns are likely driven by several factors, including the type of industries most affected by restrictions (in particular, hospitality, arts and recreation services) that are more likely to be located in major centres, as well as there being a larger number of days in lockdown in the major centres.

Figure 4.15: Recipients of unemployment payments index, by remoteness, March 2020 to March 2021 (March 2020=100)



Note: The data in this figure are presented in the form of an index, representing the number of unemployment payment recipients, by remoteness, between March 2020 and March 2021 as a proportion of unemployment payment recipients in March 2020.

Source: AIHW analysis of Department of Social Services payment demographic data.

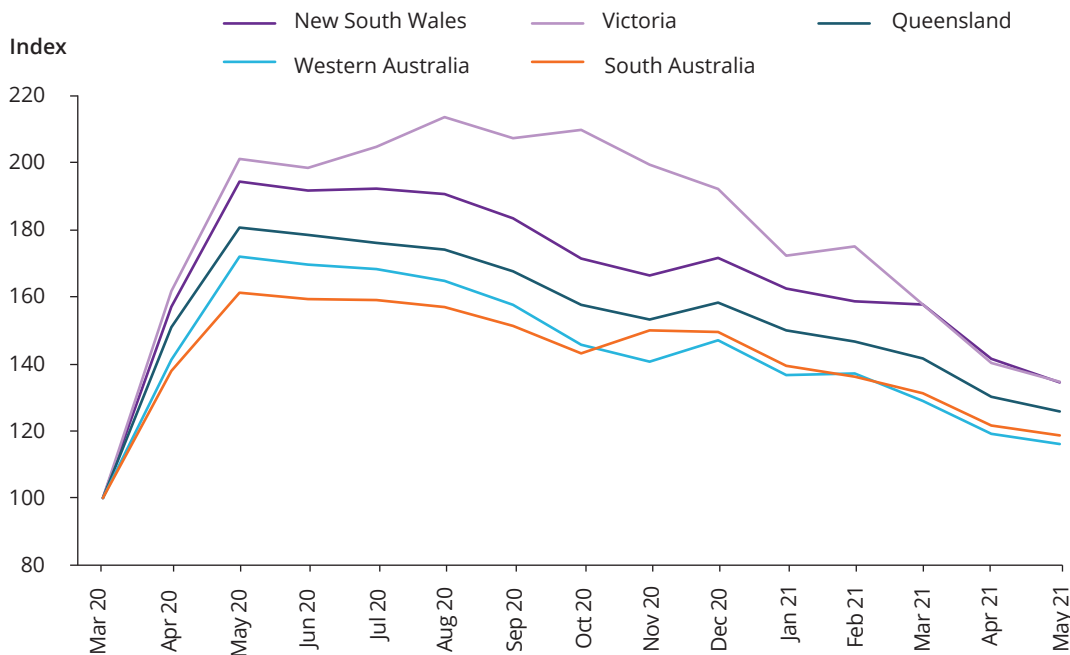
Victoria had the largest growth in recipient numbers

In the 14 months to May 2021, all states and territories had an increase in recipients of unemployment payments. The analysis in this section focuses on the larger states.

The steepest increases in recipient numbers between March and May 2020 were in Victoria (twice as high as the March 2020 level) and New South Wales (1.9 times as high) (Figure 4.16). Since May 2020, the number of recipients has declined each month, except in Victoria, where recipient numbers started to rise again in July 2020 and remained over twice as high as the March 2020 levels until October 2020 before declining each month to May 2021. The tightening of restrictions in Victoria in August 2020 to slow the spread of COVID-19 is likely to be the key driver for the different pattern observed in that state compared with the rest of Australia, consistent with the employment patterns presented in the previous section.

By May 2021, recipient numbers had fallen across all states and territories from their peak in May 2020 and August 2020 (for Victoria); however, they were still higher than pre-pandemic levels, with the largest differences in Victoria and New South Wales (34–35% higher than the levels in March 2020).

Figure 4.16: Unemployment payments index, for selected states, March 2020 to May 2021 (March 2020=100)



Note: The data in this figure are presented in the form of an index, representing the number of unemployment payment recipients, by state, between March 2020 and May 2021 as a proportion of unemployment payment recipients in March 2020.

Source: AIHW analysis of Department of Social Services JobSeeker Payment and Youth Allowance recipients – monthly profile data.

Student payment recipients also increased by a third

Individuals in receipt of student payments – Youth Allowance (students and apprentice), ABSTUDY (Living Allowance) and Austudy – are most commonly young people aged 16–24, with 78% of recipients of all student payments in this age range as at March 2021. This section focuses on this age group. The latest available data on student payments for inclusion in this article was from March 2021.

In March 2021, 200,700 people aged 16–24 received one of these student payments – 194,300 received Youth Allowance (student and apprentice combined), and 6,400 received ABSTUDY (Living Allowance). This equates to 6.9% of the Australian population aged 16–24.

In March 2021, receipt of student payments among young people was 22% higher than in March 2020 (164,500) and 19% higher than in March 2019 (168,400). Following the business restrictions associated with the COVID-19 pandemic in March 2020, the number of student payment recipients increased by 34% in June 2020 (an additional 56,200 recipients or 220,700 recipients in total) and then remained relatively steady to March 2021 (except for a fall in December 2020 reflecting semester terms and completion dates).

The proportion of the population aged 16–24 receiving student payments increased from 5.7% in March 2020 to 7.6% in June 2020 and then fell slightly to 6.9% by March 2021. This increase between May and June 2020 may have been influenced by the COVID-19 pandemic and by young people continuing to study and delaying entry into the labour market due to unfavourable job market conditions.

How did COVID-19 affect incomes in Australia?

A person's wellbeing is influenced by many factors, but having an adequate income remains an essential component in measuring individual and household wellbeing. For most people, income can be an indicator of their ability to, week by week, access food, clothing, education, housing or leisure activities.

A person's income is influenced by their economic circumstances – in particular, employment and type of employment, hours worked, occupation, and government support through Australia's social security system. In late March 2020, a range of measures were introduced to slow the spread of COVID-19. While these were successful in controlling the spread of COVID-19, they did result in substantial adverse effects on the economic circumstances of many Australians. They resulted in considerable job losses, and reduction in hours worked; they also disproportionately affected some population groups more than others, as discussed in previous sections. The Australian Government's economic support packages – in particular, the JobKeeper Payment and the Coronavirus Supplement for working-age income support recipients – were introduced to reduce the impact of these labour market changes.

This section explores how household and personal incomes changed over 2020, using a range of publicly available income-based measures, such as household income, weekly payroll, wages growth and spending habits. It also presents information on income inequality and changes in poverty levels during 2020.

Household income initially fell, recovered, and declined again by April 2021

Between February 2020 and August 2020, average weekly (after-tax) household income fell by 8.9%, or by \$157 per week, from \$1,761 to \$1,604, according to the Australian National University (ANU) COVID-19 Monitoring Survey Program (see Box 4.5). Following this decline, there was a large increase in average household income, by 7.5% or \$121 per week, between August and November 2020 (from \$1,604 to \$1,725), bringing it close to February 2020 levels. However, this increase did not continue, and a fall from November 2020 was observed in both January 2021 (\$1,598) and April 2021 (\$1,635) – still below the pre-pandemic level of average household income in February 2020 of \$1,761 per week. This decline in average household income may reflect the adjustments to, and the removal of, the economic support packages, in particular the JobKeeper Payment and the Coronavirus Supplement that ended in March 2021.

While the base rate of the JobSeeker Payment was at a higher level in March 2021 than it was before COVID-19 (due to indexation), the new base rate of payment after the \$50 per fortnight increase on 1 April 2021 is lower than the amount received by JobSeeker recipients who also received the Coronavirus Supplement (see previous section headed 'Policy responses to COVID-19').

Box 4.5: ANU COVID-19 Monitoring Survey Program

The ANU COVID-19 Impact Monitoring Survey Program conducted surveys in February, April, May, August and November 2020 and in January and April 2021. It collected information on attitudes to COVID-19, labour market outcomes, household income, financial hardship, life satisfaction and mental health during the COVID-19 pandemic period.

The longitudinal study includes a sample of over 3,000 respondents.

This representative panel survey of adults living in Australia uses random probability-based sampling methods and covers both online and offline populations (that is, people who do and do not have access to the internet).

A panel survey allows longitudinal data to be obtained from the same respondents before the spread of COVID-19, enabling changes for individuals to be tracked over time; that is not possible using a series of cross-sectional snapshot surveys.

The survey has been weighted to have a similar distribution to the Australian population across key demographic and geographic variables.

Survey data in this section are sourced from published papers (Biddle et al. 2020a, 2020b and 2020c; Biddle & Gray 2021) and previously unpublished data.

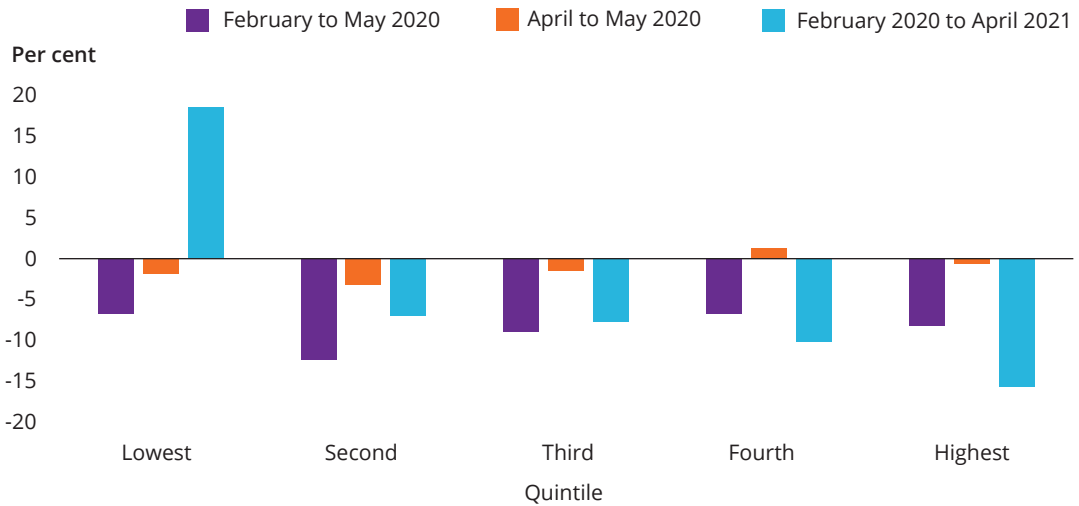
Biddle and colleagues (2020c) estimated that the average household lost \$4,726 in income between the start of March 2020 and the end of November 2020, due to the labour market impacts of the COVID-19 pandemic. This equates to an average of \$118 of lost income per week for the 40-week period, compared with the February 2020 baseline.

In the context of longer term trends, median weekly household income increased by 4.5% (or \$39 per week) over the decade to 2017–18, based on the ABS Survey of Income and Housing (SIH) (ABS 2019). Note that SIH income data are not directly comparable with the ANU data (see Box 4.5), due to differences in sample methodology and the income measure reported (that is, the SIH measure of income is adjusted, or 'equivalised', according to household size, composition and age profile).

Reductions in average household income were not distributed evenly across all Australians, according to the ANU COVID-19 Monitoring Survey Program. Over the February to May 2020 period, reductions in average household income were smallest for the lowest and the fourth quintile (a reduction of 6.7% each), and largest for the second quintile (a reduction of 12%; Figure 4.17). By April 2021, the lowest quintile was the only quintile to have an increase in average household income from February 2020 levels (an increase of 19%). These patterns reflect, among other things, the recovery in employment and the impact of increasing government payments (such as Coronavirus Supplement and JobKeeper Payment) for the working-age population. In comparison, the highest quintile experienced the greatest drop in average household income between February 2020 and April 2021 (a decrease of 16% compared with 8–10% decline for the third and fourth quintiles).

This is further highlighted when looking at income deciles. Between February 2020 and April 2021, the lowest income decile experienced the highest increase in household income, while the 2 highest income deciles had the largest fall in income (an increase of 27% for the lowest decile and a decrease of 15–17% for the ninth and tenth decile over this period).

Figure 4.17: Percentage change in average weekly (after-tax) household income, by income quintile, people aged 18 and over, selected time periods from February 2020 to April 2021



Source: AIHW analysis of unpublished data from the ANU COVID-19 Monitoring Survey Program.

Income inequality can be measured using the Atkinson index. A higher number indicates higher levels of income inequality. Using this index, income inequality increased considerably between February and August 2020 and then slightly converged between August and November 2020, before increasing again in April 2021 (Table 4.1). These patterns were driven by the average incomes in the low and middle parts of the income distribution that may have been influenced by the initial increase in the Australian Government’s economic support package and then reductions to these payments in late 2020.

Table 4.1: Atkinson index, February 2020 to April 2021

Month and year	Atkinson index
February 2020	0.22067
April 2020	0.22046
August 2020	0.23989
November 2020	0.22542
January 2021	0.22475
April 2021	0.23145

Source: Previously unpublished data from the ANU COVID-19 Monitoring Survey Program.

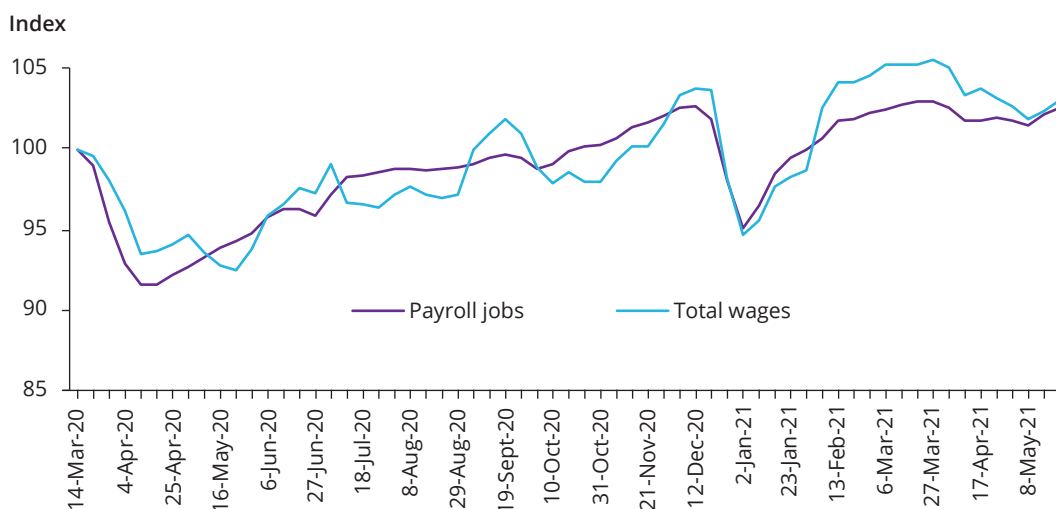
Phillips and colleagues (2020) found that, in the early months of the pandemic (until August 2020), the number of people in poverty reduced by around 32%, despite the economic challenges caused by the pandemic. Further, they found that the increase in government payments, including the introduction of the Coronavirus Supplement and the JobKeeper Payment, was the key reason for this reduction, and that poverty levels would have likely increased dramatically without these additional payments.

Payroll wages fell but recovered by September 2020

One of the key sources of income for individuals is payroll wages data. This information is calculated from data collected from the Australian Taxation Office's single touch payroll system, which, by September 2020, covered 99% of employers with more than 20 employees and 77% of small employers (ABS 2021I).

By 22 May 2021, total wages were 3.1% higher than they were in March 2020 (Figure 4.18). However, between 14 March and 23 May 2020, following the COVID-19-related business restrictions, total wages fell by 7.5% but they had increased by September 2020 to levels previously seen in March 2020. This reflects the economy starting to recover as business related restrictions started to ease and the number of people in employment increased.

Figure 4.18: Payroll jobs and payroll wages index, March 2020 to May 2021 (March 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing total payroll wages or jobs as a proportion of the level seen in the week ending 14 March 2020.
2. Payroll jobs data covered 99% of large employers and 77% of small employers by September 2020.

Source: ABS payroll wages (ABS 2021I: Graph 1).

Payroll wages for males declined faster and did not recover as quickly as for females – 9.2% lower than March 2020 levels by 23 May 2020 compared with 5.0% lower for females. By 22 May 2021, payroll wages for males were 0.7% higher than March 2020 levels compared with 5.7% higher for females (ABS 2021l: Table 4).

Large initial increase in average weekly earnings but fell slightly by November 2020

Between November 2019 and May 2020, there was a large rise in average weekly ordinary time cash earnings for full-time adult employees in Australia – a 3.3% increase from \$1,658 to \$1,714 (seasonally adjusted), followed by a slight drop in November 2020 to \$1,712 (ABS 2021a: Table 2).

In the 5 years before the COVID-19 pandemic, 6-monthly increases in average weekly earnings were between 0.6–1.8%. The large increase in May 2020 reflects job losses at the height of the COVID-19 pandemic that tended to be in relatively low paid jobs and industries. This is likely due to those on low earnings losing their job, meaning that those who were left had higher average earnings.

Over the 12 months to November 2020, average weekly earnings were 3.2% higher (a similar level to the November 2019 annual growth of 3.3%), indicating a more usual earning distribution by the end of the year (ABS 2021b).

Wages growth stalled after already slow growth

Another way to look at changes in income is to examine how average wages have changed over time, using the Wage Price Index, which is not affected by compositional changes in employment (see Box 4.6).

Over the last decade, there has been a slow growth in hourly rates of pay in Australia – the last time annual growth for all industries was over 4% was in the March quarter of 2009 (at 4.2%). Since then, the annual rate of growth has been considerably lower, with a pre-COVID-19 low of 1.9% between the September quarter of 2016 to the June quarter of 2017. However, annual wages growth slowed down even further in June 2020 – to 1.8% – before dipping again to 1.4% in September and December 2020. This is the lowest annual growth rate experienced in Australia since the Wage Price Index began in 1997. In March 2021, the annual growth rate sat at 1.5% (ABS 2021k: Table1).

Box 4.6: Wage Price Index

The Wage Price Index (calculated by the ABS) measures changes in the price of labour, unaffected by compositional shifts in the labour force, hours worked, employee characteristics or the introduction of the JobKeeper Payment. It can reveal how Australian average wages are changing over time. Wage Price Index survey respondents were asked to include JobKeeper Payments in their wage and salary data. However, as this payment falls outside the conceptual framework for the Wage Price Index, any effect from the JobKeeper Payment was excluded from the index during the data validation process (ABS 2021k).

People could access superannuation in 2020 before retirement

Another economic support program offered by the Australian Government in response to the economic downturn associated with the COVID-19 pandemic was to allow early access to superannuation (see Box 4.7).

Box 4.7: Early Release Scheme

From 20 April 2020 to 31 December 2020, Australian and New Zealand citizens or permanent residents were able to apply to release up to \$20,000 (\$10,000 in 2019–20 and \$10,000 in 2020–21 financial years) of their superannuation under the Australian Government's temporary COVID-19 Early Release measure. Eligible temporary visa holders could also apply for up to \$10,000 between 20 April to 1 July 2020.

Individuals were required to meet the following eligibility criteria before making an application to the Australian Tax Office:

- they were unemployed, or
- they were eligible to receive an income support payment such as the JobSeeker Payment, Youth Allowance (other), Parenting Payment or Special Benefit, or Farm Household Allowance, or
- on or after 1 January 2020, they were made redundant, their working hours were reduced by 20% or more or, as a sole trader, their business was suspended or there was a reduction in turnover of 20% or more.

Initial applications are the first applications made since the Early Release Scheme began and repeat applications are additional applications made for those same accounts.

Since the Early Release Scheme began, 4.8 million applications were received, of which, 4.6 million were approved by the Australian Taxation Office from 3.05 million individuals, including 1.5 million repeat applications (ATO 2021a). In total, \$37.8 billion worth of applications were approved by the Australian Taxation Office.

Males were more likely to make withdrawals than females – of the approved Early Release applications, 56% were males and 44% were females. Those aged 26–35 were the most likely to make withdrawals, making up 1 in 3 (34%) of approved applications; this percentage compares with 28% for those aged 36–45, 20% for those aged 46–55 and 10% for those aged 25 and under (ATO 2021b).

Average weekly household spending initially dropped, then increased and remained above pre-pandemic levels through to May 2021

In the early months of the pandemic, there were large job losses and reductions in hours worked; as well, unemployment increased substantially, reflecting the introduction of measures to slow the spread of the virus. These measures, together with other business and international restrictions, had an impact on Gross Domestic Product (GDP), which declined by 7.0% in the June quarter in 2020 after falling by 0.3% in the March quarter. However, GDP grew in the September and December quarter in 2020 and in the March quarter of 2021. By the March quarter of 2021 GDP was 1.1% higher than in March 2020. Household spending (household consumption expenditure) fell in both the March (1.4%) and June quarter 2020 (12.3%) but grew in the September and December quarter of 2020 and the March quarter of 2021. Household spending remained 1.5% below December 2019 pre-pandemic levels in March 2021 (ABS 2021g).

One of the things that became apparent early in the pandemic was a need for very rapid data on the broader impact of COVID-19, including broader impacts on mental health and employment. The various policy measures introduced to ameliorate any adverse economic impact of the COVID-19 pandemic were designed, among other things, to maintain consumer spending. If spending fell rapidly, any adverse economic impact would have been magnified.

The weekly consumer spending tracker developed by Accenture and the credit bureau illion allows for weekly spending to be tracked. This, in turn, indicates the immediate impact of policy measures on consumer spending (Box 4.8). These data are not directly comparable with ABS data on household spending but they do provide important insights on how spending patterns have changed since the onset of the pandemic.

Box 4.8: Weekly consumer spending tracker developed by Accenture and illion

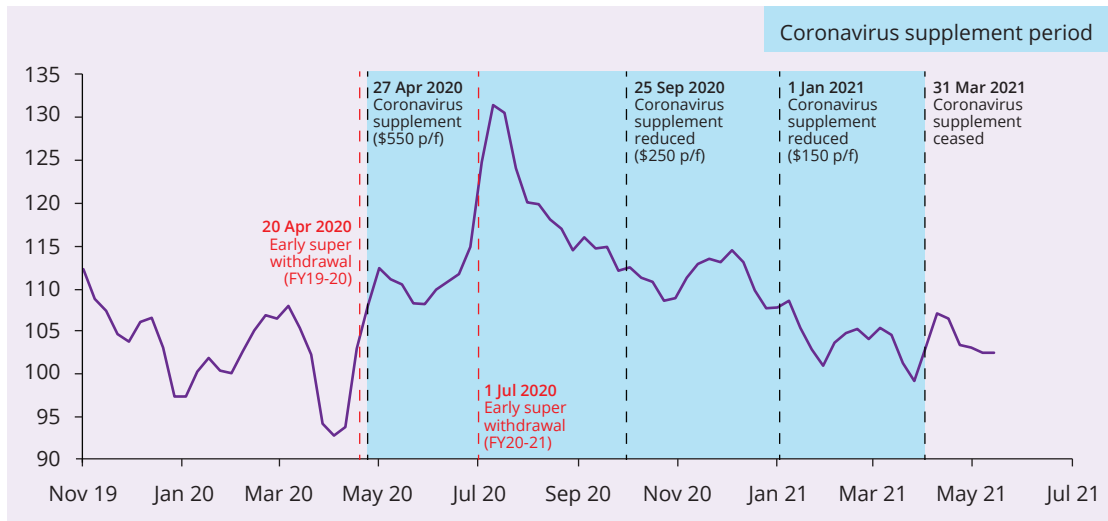
The weekly consumer spending tracker is based on customer-consented anonymised bank transaction data from consumers who apply for a credit check through illion. The spend tracker measures weekly average spending, relative to average weekly spending in January 2020. The data are sample weighted to match the distribution of income, gender, state and receipt of Centrelink payments (based on data from a 2% sample tax file provided by the Australian Taxation Office). While every effort is made to ensure that the data are representative, the spending tracker may not be perfectly representative of Australian consumers on all dimensions, as data are sourced only from consumers applying for credit checks.

Centrelink recipients are defined in this section as those who have received at least one Centrelink payment of \$200 or more in the reference period. Note that these data will not be representative of all Centrelink recipients.

According to the spending tracker for all consumers, while average weekly household spending fell sharply in early April 2020, it then rose rapidly as the Coronavirus Supplement was introduced; it has remained higher than levels observed before the COVID-related business restrictions in January 2020.

Overall, average weekly household spending was initially 7.2% lower than January 2020 levels by early April 2020 (Figure 4.19). However, it increased quickly thereafter, exceeding January 2020 levels (by 3.0%) by 19 April 2020 and reaching a peak in spending by 12 July 2020 (32% higher than January 2020 levels). These increases coincided with the Early Release Scheme on 20 April 2020 and the introduction of the Coronavirus Supplement on 27 April 2020. Between mid-July and end of October 2020 spending levels dropped (from 32% to 8.6% above January 2020 levels), coinciding with reductions in the Coronavirus Supplement. Since then, spending levels have generally declined and have remained around 3% above January 2020 levels during May 2021.

Figure 4.19: Average weekly household spending index, November 2019 to May 2021 (January 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing average weekly household spending as a proportion of the level seen in January 2020.
2. FY financial year; p/f per fortnight.

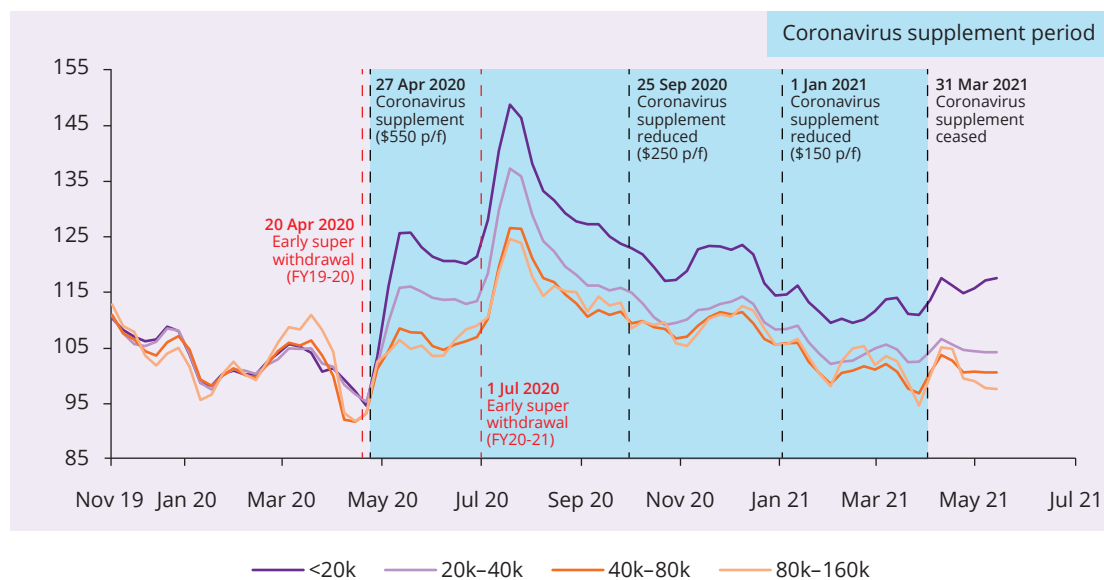
Source: Accenture analysis of illion, Australian Taxation Office data (unpublished data).

Lowest income band had largest increases in household spending

Research has consistently suggested that when people on low incomes have a rise in their income they spend a higher proportion of this increase than those on higher incomes (people on low incomes have a higher marginal propensity to consume than people on higher incomes; Berger-Thomson et al. 2009).

This pattern is observed in these data on average weekly household spending, with the lowest income bands having substantially larger rises in spending after the introduction of the Coronavirus Supplement and the Early Release Scheme than those on higher incomes (Figure 4.20). For example, in mid-July 2020, those in the lowest income band reached a peak in spending that was 49% above January 2020 levels. This reflects the fact that people who receive the Coronavirus Supplement are on relatively low incomes by definition and may have a higher propensity to spend additional income.

Figure 4.20: Average weekly household spending index, by income band, November 2019 to May 2021 (January 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing average weekly household spending by income band as a proportion of the level seen in January 2020.
2. FY financial year; k thousand; p/f per fortnight.

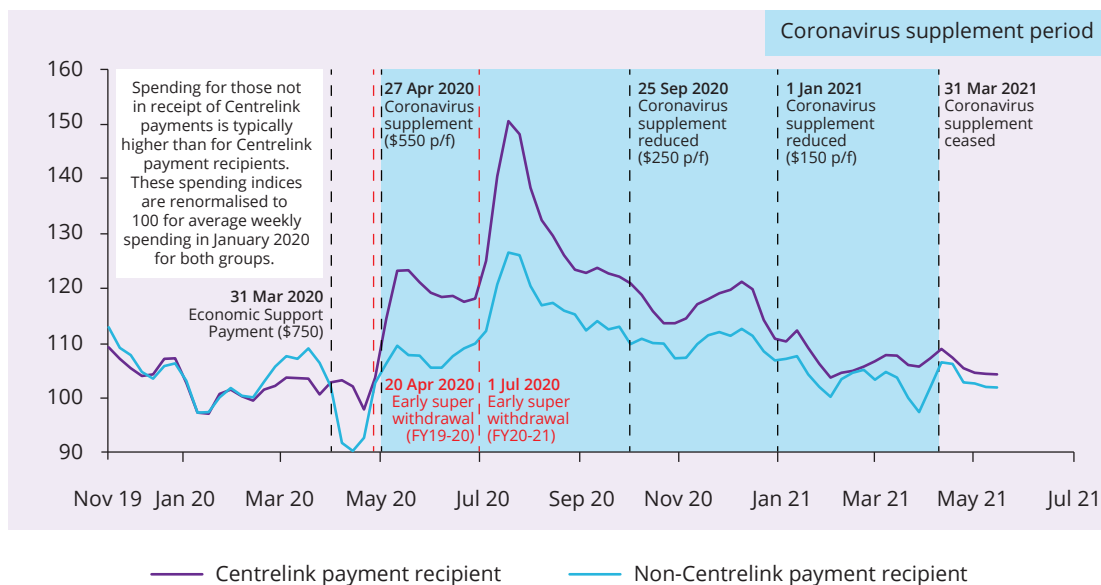
Source: Accenture analysis of illion, Australian Taxation Office data (unpublished data).

Centrelink recipients had an initial steeper rise in spending

While those not receiving Centrelink payments had higher levels of spending before March 2020 (Figure 4.21), Centrelink recipients included in these data (see Box 4.8) showed a much faster rise in spending thereafter. The sharp decline in spending in early April 2020 was also steeper for those not receiving Centrelink payments (9.6% lower than January 2020 levels compared with 2.2% higher for Centrelink recipients)

From mid-April, weekly household spending for Centrelink recipients was higher than for those not receiving Centrelink payments, relative to January 2020 levels, reaching a peak of 51% above January levels in mid-July 2020 (compared with a corresponding 27% increase for those not in receipt of Centrelink payments). This peak in spending followed the introduction of the Australian Government economic support packages (Economic Support Payment on 31 March 2020, the Coronavirus Supplement and the Early Release Scheme); as these were reduced in late December 2020, the spending levels between those receiving and not receiving Centrelink payments converged, but remained slightly higher for Centrelink recipients to May 2021. Spending at 16 May 2021 remained higher than in January 2020 for both those in receipt of and not in receipt of Centrelink payments (4.4% and 2.0% higher, respectively).

Figure 4.21: Average weekly household spending index, by Centrelink payment receipt, November 2019 to May 2021 (January 2020=100)



Notes

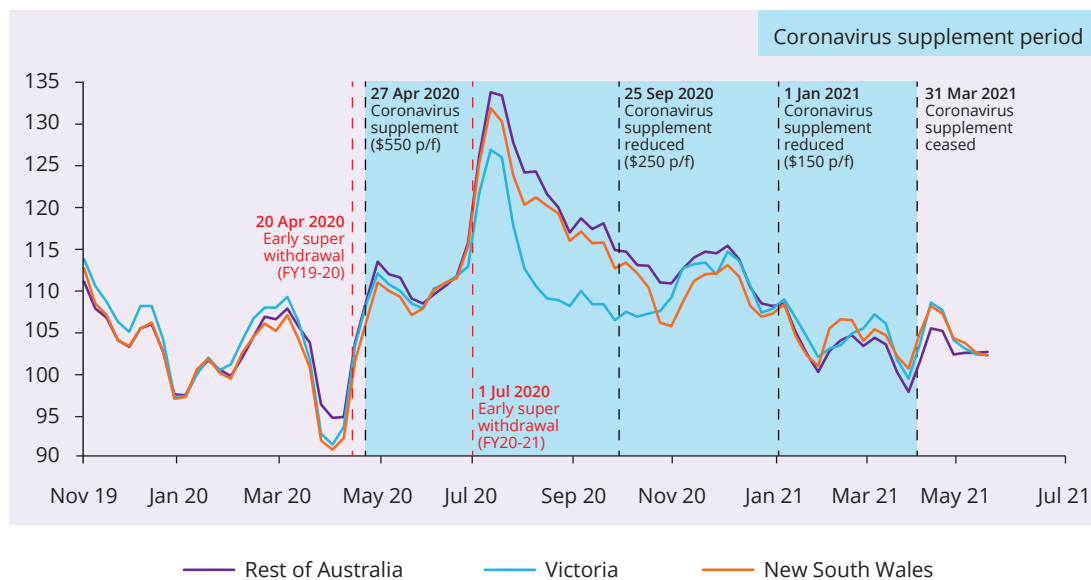
1. The data in this figure are presented in the form of an index, representing average weekly household spending by Centrelink payment receipt as a proportion of the level seen in January 2020.
2. FY financial year; k thousand; p/f per fortnight.

Source: Accenture analysis of illion, Australian Taxation Office data (unpublished data).

Spending dipped in Victoria during Stage 4 restrictions

The spending tracker also includes average weekly spending in Victoria and New South Wales (the jurisdictions most affected by business closures) and the rest of Australia between November 2019 and May 2021. Average weekly household spending was generally similar across these 3 regions, except for Victoria in mid-July to early October 2020, as shown in Figure 4.22. During August–September 2020, spending in Victoria was 7–13% above January 2020 levels compared with 15–24% above January 2020 levels for the rest of Australia. This lower level of spending in Victoria coincides with the Stage 4 restrictions in Melbourne (and Stage 3 restrictions in regional Victoria) around this time.

Figure 4.22: Average weekly household spending index, by states, November 2019 to May 2021 (January 2020=100)



Notes

1. The data in this figure are presented in the form of an index, representing average weekly household spending by State as a proportion of the level seen in January 2020.
2. FY financial year; k thousand; p/f per fortnight.

Source: Accenture analysis of illion, Australian Taxation Office data (unpublished data).

Conclusion

The COVID-19 pandemic has substantially changed the lives of Australians. While Australia was very successful in managing the direct health effects of the pandemic in 2020, this did result in very large effects on the labour market. There was an initial sharp decline in employment and income levels and large increases in unemployment and underemployment. The increase in government support packages, such as the introduction of the JobKeeper Payment and increases to existing working-age payments (through the Coronavirus Supplement for working-age income support recipients), cushioned the impact of this initial shock, and resulted in the economy rebounding so that GDP was 1.1% higher in the March quarter of 2021 than in March 2020.

By May 2021, the labour market had rebounded and most employment measures were faring better than they were before the pandemic in March 2020 – the employment rate was at a record high and above the level in March 2020 and unemployment and underemployment were below March 2020 levels. However, the number of people receiving unemployment payments was still considerably higher than it was in March 2020.

As Australia continues to experience COVID-19 outbreaks and associated business-related restrictions across several states (as was the case in July and August 2021) and may continue to do so while the vaccine roll-out is still underway, the future impacts of continued COVID-19-related restrictions on the economic wellbeing of Australians is unclear. It will therefore be important to continue to monitor and report on measures of employment, income support receipt and income in future years to provide insights on the long-term economic impact of the COVID-19 pandemic for Australia.

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5

COVID-19 effects on housing and homelessness: the story to mid-2021

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5. COVID-19 effects on housing and homelessness: the story to mid-2021

Directly and indirectly, the coronavirus 2019 (COVID-19) pandemic has had huge ramifications for global housing systems and for individuals' housing security. Despite the relatively moderate public health consequences in Australia, official awareness of heightened infection risk for vulnerable populations had major impacts for homelessness policy. More wide-scale effects on Australia's housing system arose from the sharp economic downturn that resulted from 2020 actions to control and suppress the pandemic, and from the policy measures enacted in response. The outcome has been a period of remarkable turbulence in the national housing market.

This chapter seeks to highlight and analyse a number of these phenomena. It does this in the 4 main sections that follow this brief introduction.

- The first of these sections, headed 'Initially anticipated housing system impacts of the COVID-19 pandemic', reviews some of the initial expectations and concerns about the possible consequences of the pandemic for the Australian housing system, as the global crisis exploded in the weeks following the first confirmed coronavirus case in Australia on 25 January 2020.
- In the next section, 'Official policy initiatives to protect the housing market and vulnerable people' the account focuses on the period of emergency policy making that accompanied the subsequent national lockdown. It summarises the key policy initiatives enacted by Australian governments, with particular relevance to stabilising the housing market and protecting individuals in relation to their shelter needs.
- The section headed 'Pandemic impacts on homelessness' examines 2020 crisis impacts both in relation to the emergency actions taken by state governments to protect existing street homeless populations, and also the generation of new homelessness (for example, due to economic dislocation).
- The last main section, 'Pandemic impacts on the private housing market', analyses housing market developments seen during 2020, with a focus on the specific drivers of the rental housing market.

This chapter refers to several statistical and other research sources. These include the AIHW's Specialist Homelessness Services Collection (SHSC) (AIHW 2021a) to which a new analytical framework is applied, as distinct from that of routinely published Specialist Homelessness Services (SHS) statistics. Statistics on a range of housing and economic indicators are drawn from various Australian Bureau of Statistics (ABS) collections. CoreLogic housing market analyses are also cited. Further information comes from the author's original research (Pawson et al. 2020a, 2021) – particularly as regards emergency accommodation (EA) placements of rough sleepers and other homeless people to reduce virus infection risks, and in relation to pandemic impacts on renter households.

For the most part, this chapter's focus is calendar years 2020 and early 2021. To benchmark statistics for this pandemic period in relation to pre-existing levels of activity and to (any) previously established trajectories of change, some analyses stretch back into the 2010s and earlier. Also, at the time of writing in mid-2021, outbreaks across the country were impacting economies, with lockdowns and restrictions in place across a number of states and territories, with uncertain impacts that may differ to the following analyses.

For further background information on housing and homelessness in Australia see the Australia's welfare housing snapshots at www.aihw.gov.au/reports-data/australias-welfare/australias-welfare-snapshots.

Initially anticipated housing system impacts of the COVID-19 pandemic

The sudden designation of a national lockdown in March 2020 made it immediately clear that the national economic consequences of the crisis would be profound. In the event, enforced stay at home orders and business closures triggered a fall of 873,000 employed people between March and May 2020 – a reduction equating to 7% of all workers (ABS 2021a). Similarly, by the end of the second quarter (Q2), gross domestic product (GDP) had dropped by an extraordinary 7.2% since the start of the year (Department of the Treasury 2020). Far larger numbers of employees in companies forced to scale back or cease activity were protected from immediate unemployment by the Australian Government's JobKeeper program, as briefly outlined in the next section.

Contemporary expectations of the impending 2020 economic downturn appreciated that higher unemployment would bring with it elevated levels of housing insecurity. A hit to incomes would damage purchasing power in the market, dampening house prices, as well as rents. In the Australian recession of the early 1990s, for example, unemployment peaked at 11.5% and remained above 10% for 3 years (ABS 2021a). Alongside this peak, house prices – having risen rapidly in the late 1980s – remained virtually flat until the mid 1990s (ABS 2021b).

Importantly, in considering the housing system implications of the 2020 crisis, it must be recognised that this downturn occurred against a backdrop of gradually intensifying post-millennial housing affordability stress, affecting large parts of Australia. Nationally, and in many cities and regions, house prices and rents had continued to trend upwards through much of the 2000s and 2010s (ABS 2021b, 2021c) albeit that, at the national scale, rent rises dipped generally below Consumer Price Index (CPI) after 2016

(see Figure 5.6).

Meanwhile, the Australia-wide deficit in private rental housing affordable to lower income households continued to grow (Hulse et al. 2019). Moreover, rising homelessness has outpaced broader population growth (Pawson et al. 2018, 2020a; Yates 2016). Concurrently, mortgage debt ballooned and an increasing proportion of banks' lending books have been dedicated to real estate (Conley 2018; Jordà et al. 2016), with concerning implications for wider economic stability should the market falter (Pawson et al. 2020b).

Given this situation, most initial predictions for pandemic impacts on Australia's housing system envisaged substantial damage to property values and rents. Also predicted was a potential surge in homelessness resulting from the mass evictions likely to occur due to tenant income losses and hence inability to meet rental payments. These concerns reflected an appreciation of the interconnectedness of Australia's housing system – for example, the realisation that rapidly escalating rental income losses could prompt mass rental property sales, deflating real estate values.

Among many housing market projections prompted by the March 2020 national economic shutdown, one of the most widely cited was the Commonwealth Bank's 'worst case scenario' projection that envisaged a 32% fall in house prices over a 3-year time horizon (Janda 2020). At the same time – on the basis that unemployment could double from its early 2020 level of around 5% (as some mid-2020 projections envisaged) – one modelling estimate envisaged that homelessness in New South Wales could rise as a result by 21% (Equity Economics 2020).

Official policy initiatives to protect the housing market and vulnerable people

As in many other countries, Australian governments reacted with remarkable speed in developing emergency measures to mitigate the pandemic's economic impacts. Table 5.1 sets out the most important of these measures, geared to insulating the housing market and protecting vulnerable individuals in relation to their shelter needs.

JobKeeper and Coronavirus Supplement programs

Although broader in scope and intent, the most important of these measures for housing were undoubtedly the national income protections implemented through the Australian Government's JobKeeper and Coronavirus Supplement programs (for summary details see Pawson et al. 2021). For many owner occupiers and tenants,

the extra financial assistance received through these programs would have enabled them to avoid defaulting on rent or mortgage payments, as would otherwise have occurred. At the same time, the temporary facility for individuals to withdraw up to \$20,000 in superannuation savings, and the receptiveness of mortgage lenders to payment deferral requests, were key measures enacted or facilitated by the Australian Government and its agencies to insulate the housing system.

Table 5.1: Key pandemic policy innovations relevant to minimising housing market disruption and homelessness

Policy innovation	Australian government	State/territory governments
Income support – JobKeeper (wage subsidy paid via employers)	X	
Income support – Coronavirus Supplement (temporary boost to designated social security benefits)	X	
Access to superannuation savings allowed	X	
Facilitation of banks' mortgage payment deferral programs ^(a)	X	
Rental eviction restrictions ('moratoriums')		X
Rent increase restrictions		X
Rent relief		X
Homelessness emergency accommodation programs		X

(a) Bank mortgage deferrals were officially facilitated through the Reserve Bank of Australia's Term Funding Facility (allowing banks to borrow cheaply as their own loans came due) and through the Australian Prudential Regulatory Authority's relaxation of requirements regarding impaired loans.

State government housing and homelessness initiatives

The last 4 innovations listed in Table 5.1 – measures enacted by state/territory governments – were more directly targeted at (potentially) vulnerable renters and homeless people. Although separately devised, rental eviction moratoriums were quickly implemented across all jurisdictions in the form of temporary rules restricting landlords' ability to end tenancies. They were designed to protect tenants incurring rent arrears due to income loss resulting from the pandemic-triggered economic downturn.

In most jurisdictions, landlords were also temporarily prevented from increasing rents. Concurrently, tenants facing difficulty in maintaining rent payments at pre-pandemic rates were officially recommended to negotiate directly with landlords in pursuit of reductions. Some state governments established formal frameworks to facilitate such discussions. Finally, regarding rental housing measures, some governments enacted rent relief, in the form of cash payments to landlords and/or land tax rebates where parties had made such a rent variation agreement.

Homelessness policy responses to the COVID-19 pandemic concentrated primarily on the March 2020 cohort of people already sleeping rough, or otherwise living in homelessness shelter (and similar) accommodation considered unsafe in pandemic conditions (for example, due to the inability to self-isolate). Focusing on these groups, 4 of Australia's 8 state/territory governments acted to rapidly move rough sleepers and others into safe temporary accommodation. For the most part, this involved large-scale hotel bookings. The governments concerned – New South Wales, Victoria, Queensland and South Australia – authorised substantial extraordinary funding to meet associated costs, including hotel charges, meals, and floating support for hotel-housed residents provided by contracted non-government organisations (NGOs). Notably, and in contrast with comparator countries, the governments directly concerned shouldered these costs without any specific assistance from the national level (Pawson et al. 2021).

Beyond providing temporary accommodation (for days, weeks or months), these state governments also initiated extraordinary homelessness policy action in efforts to enable former homeless people to transition out of hotels into more secure housing. For example, a package of measures announced by the Victorian Government in July 2020 was motivated by the aim that '2,000 [hotel-housed] Victorians are supported to access stable, long term housing' (Victorian Government 2020). Programs of this kind encompassed funding for:

- private rental subsidies enabling individuals to bridge the gap between rental charges and an affordable portion of social security (or other) income
- rent payments to private landlords willing to 'head lease' dwellings to not-for-profit housing providers to accommodate former homeless people
- staff costs incurred by contracted NGOs in providing floating support (that is, assistance provided to individuals on a flexible 'outreach' basis) for former homeless people placed in private rental or head-leased accommodation.

It is important to note that, although extraordinary in scale and roll-out speed, Australia's COVID-19 EA programs were not entirely novel. As detailed elsewhere, the late 2010s had already seen markedly heightened attention to street homelessness in several jurisdictions including through stepped-up 'assertive outreach' activity and temporary housing placements of former homeless people – in some cases leading to longer term tenancies (Pawson et al. 2020a). In 2017, for example, with respect to inner Sydney, the New South Wales Government had committed to reducing street homelessness by 25% within 3 years. Notable additional resources were pledged to support this, and consequential reductions in rough sleeping had been achieved by 2020 (as further detailed in the following section).

Pandemic impacts on homelessness

The previous sections of this chapter outlined the policy measures adopted not only to protect homeless people at particular risk of contracting COVID-19 but also to minimise new homelessness caused by the pandemic. This section measures the effects of these actions.

- The first part of this section discusses findings on the existing homeless population. The scale of the EA programs implemented by the relevant state governments from March 2020 can be quantified. The data in this respect are derived from original research on rental housing and homelessness impacts of the pandemic – in particular, from unpublished statistical data collected from the governments concerned (Pawson et al. 2021).
- The second part uses new analysis of AIHW SHSC data to focus on the pandemic's impacts on newly arising homelessness.

Existing homeless population

As revealed by research, pandemic EA programs saw over 40,000 people assisted by the 4 active states (New South Wales, Victoria, Queensland, South Australia) in the 6 months to September 2020 (Table 5.2). In the 3 jurisdictions for which a finer data breakdown is available, almost half of these people (48%) were identified as former rough sleepers. Note, though, these are 'gross' figures that make no allowance for EA (or 'temporary accommodation') placement activity in 'normal times'. At least in New South Wales, such numbers are considerable. For example, during 2018–19, there were 24,278 New South Wales Government temporary accommodation placements (NSW Government 2019).

Notably, the number of rough sleepers assisted in Victoria, Queensland and South Australia (7,718) was well over double the point-in-time number of rough sleepers in these entire states as recorded by the 2016 Census of Population and Housing (Census) (3,246). See 'State and territory of usual residence, all persons' tables in Census of Population and Housing: Estimating homelessness, 2016 for more information (ABS 2018).

This comparison highlights the reality that the cohort of Australians exposed to, or at high risk of, street homelessness over any time period (for example, a month) is far larger than the point-in-time number sleeping rough on any given night. For example, among the 290,000 users of SHS services in 2018–19, some 42,000 reported having slept rough during the month preceding their application for assistance (Pawson et al. 2020a).

Table 5.2: Emergency accommodation placements – flow, 15 March to 30 September 2020 (persons)

	Former rough sleepers	Other homeless	Total
NSW		24,000	24,000
Qld	3,276	1,648	4,924
SA	513	0	513
Vic	3,929	6,882	10,811
Total		40,248	40,248

Notes:

1. 'Other homeless' included (a) residents of homeless shelters where sharing of living space and/or facilities negated scope for self isolation and (b) other precariously housed people judged at high risk of rough sleeping.
2. Table relates to the four jurisdictions which mounted EA programs in response to the pandemic – no such actions were taken in the other state/territory jurisdictions.

Source: Pawson et al. 2021.

Assistance for longer term tenancies

Having protected many vulnerable homeless people from COVID-19 community transmission when infection rates were high, all 4 states made substantial efforts and commitments to assist EA service users into longer term tenancies – whether in social or private rental housing. For example, as a way to temporarily expand the provision of social housing, New South Wales and Victoria funded community housing providers to head lease hundreds of private rental properties – in the former case involving acquisition for 2-year terms. Similarly, new funding was made available to private rental subsidy programs targeted at former EA residents to bridge the gap between the rents they could affordably pay and the actual cost of suitable private tenancies in their locality.

Nevertheless, only around one-fifth of those leaving hotels in Q2 and the third quarter (Q3) of 2020 were, in fact, assisted into longer term tenancies (Table 5.3). In Queensland, longer term placements were by far the most common outcome, though this was much less true in New South Wales and Victoria. Bear in mind, though, that these figures for New South Wales reflect activity only up until 14 June (see footnotes to Table 5.3).

Table 5.3: Departures from EA – all homeless people, 15 March to 30 September 2020 (persons)

Jurisdiction	Rehoused in social housing ^(a)	Assisted into private tenancy ^(b)	Other EA departees		Total departing EA in period
			Placed in congregate accom ^(c)	Self discharge/ other	
NSW		991		9,187	10,178
Qld	1,774	1,632	n.a.	404	3,810
SA	186	2	54	271	513
Vic	91	101		8,657 ^(e)	8,849 ^(d)
Total		4,777		18,573 ^(e)	23,350 ^(d)

n.a. not available

(a) Includes tenancies in head-leased properties.

(b) Involves those assisted by bond loans, rental subsidies etc.

(c) Involves people placed in homeless shelters, hostels or similar.

(d) Author's estimate, calculated by subtracting those remaining in EA on 30 September from those placed in EA during the period.

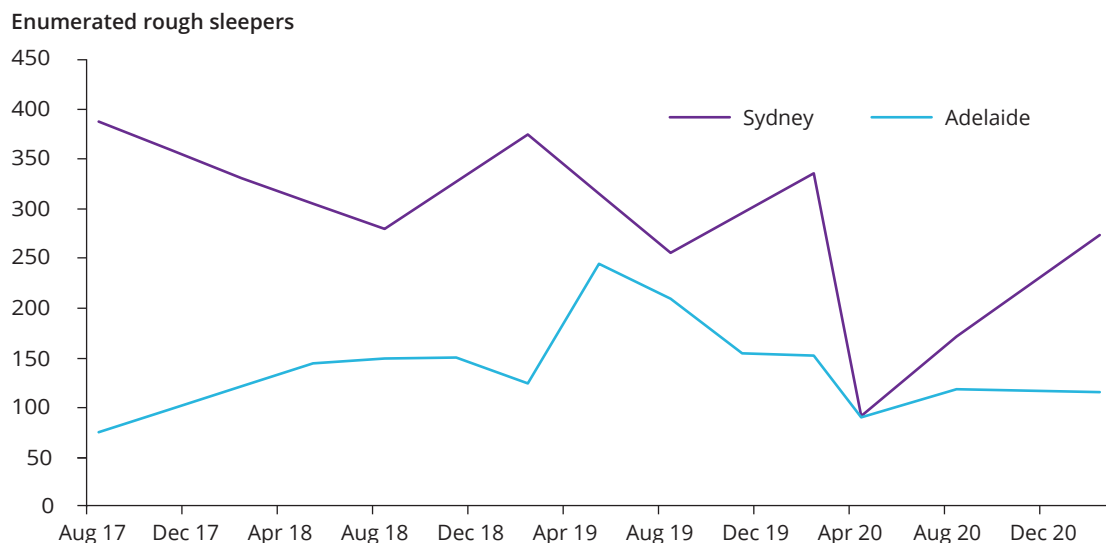
(e) A residual number calculated by subtracting 'rehoused in social housing' plus 'assisted into private tenancy' from total departing EA during the period.

Note: New South Wales departures from EA statistics relate to the period 1 April to 14 June 2020.

Source: Pawson et al. 2021.

A proportion of the estimated 18,573 individuals who departed EA without being assisted directly into longer term tenancies – 'other EA departees' (see Table 5.3) – are likely to have been people moving into (or back to) SHS accommodation or other transitional housing. At the same time, for a proportion of other EA departees, this will likely have involved a return to homelessness – in some instances a resumption of rough sleeping. Notably, by early 2021, rough sleeper numbers in Adelaide and (especially) Sydney had risen markedly from their mid-year lows which, at that time, reflected initial EA mass placement programs (Figure 5.1).

Figure 5.1: Street homelessness in central Sydney and central Adelaide, 2017–2021



Notes

1. Interpolations used for missing data entries.

2. Adelaide 'Apr 20' relates to June 2020 (the low point in the trend).

Sources: Homelessness NSW estimates (April and August 2020); Adelaide – Adelaide Zero Project dashboard <https://www.dunstan.org.au/adelaide-zero-project/dashboard/> ; Sydney – City of Sydney street counts <https://www.cityofsydney.nsw.gov.au/public-health-safety-programs/street-counts>.

Once it was decided to mandate extra spending for the purpose, the temporary glut of hotel and similar accommodation made mass EA placements relatively straightforward. Aspirations to assist such a large body of people into longer term housing posed a far stiffer test. State governments were caught between a sense of moral obligation to avoid discharging EA residents who lacked any move-on housing option (even if the public health risk had dissipated) and concern about the mounting cost of open-ended hotel stays.

Assisting high-need housing assistance applicants into suitable permanent accommodation in Australia's stressed property markets – poses a major challenge for state and territory governments even in 'normal times'. In the circumstances of the pandemic, however, this challenge was compounded by the urgency of the situation and the scale of EA placements involved. The fact that, across the states concerned, it proved possible to enable only a small proportion of hotel departees to transition into longer term housing (Table 5.3) substantially reflects the insufficient supply of social housing and the inadequacy of Rent Assistance in making private rental housing affordable – realities cast into sharp relief by the circumstances of the pandemic.

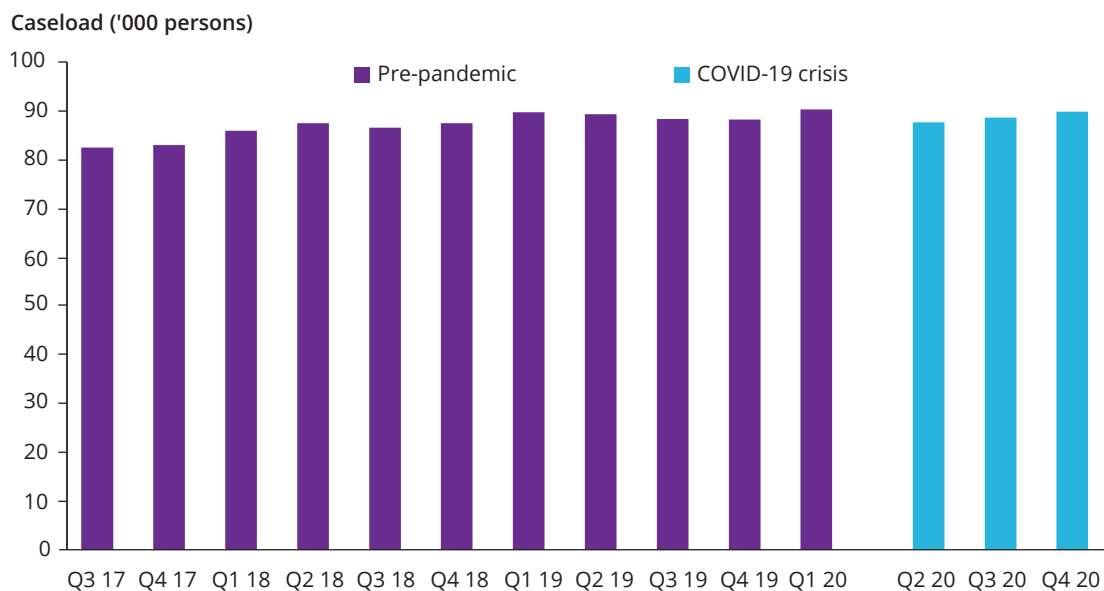
A third important limiting factor in this instance would have been the appreciable proportion of non-Australian citizens within the EA cohort – given this group’s ineligibility for both social housing and mainstream social security payments. The Queensland Government advises that it was, nevertheless, able to assist transition to longer term accommodation by brokering private housing outcomes for this cohort.

Newly arising homelessness

The standard prime measure of homelessness in Australia are point-in-time statistics drawn from the 5-yearly ABS Census, and ‘caseload’ figures published in the AIHW SHS series. The latter relate to individuals assisted by SHS providers across Australia (for further information about the SHSC, see AIHW 2020). While these administratively generated figures have been routinely released annually by the AIHW, publication frequency was stepped up in 2020 by adding monthly statistics issued in quarterly batches.

In calibrating the changing incidence of homelessness during inter-Censal periods, most analysts focus on the cohort of SHS service users being assisted during the relevant month or year – on the cohort’s overall size, and on the circumstances and profile of those concerned. As shown in Figure 5.2, based on this measure, there was little sign of any notable COVID-19 pandemic impact on homelessness in 2020. It should also be acknowledged that SHS service users include people designated as ‘at risk of homelessness’ as well as those actually homeless.

Figure 5.2: Average monthly Specialist Homelessness Services assisted caseload, by quarter, 2017–2020



Source: Unpublished AIHW SHSC – monthly collection.

The familiar ‘assisted users’ statistics tracked in Figure 5.2 are essentially ‘stock’ figures that include both ‘ongoing’ service users and people who sought SHS help during the period for the first time (or made a fresh claim for assistance, as former clients from a previous homelessness episode). In seeking to understand the homelessness impacts of changing housing market conditions (or policy initiatives), it would be more informative to focus on the flow of new claims for assistance, rather than on the stock of people receiving help. Since SHS records include the date that a current service user first sought assistance, it is possible to separately identify those *who made their initial claim* within the relevant period (for example, month or year) – that is, a measure of ‘newly arising homelessness’. This approach emulates the established analytical framework used for street homelessness statistics in London (Fitzpatrick et al. 2021; Greater London Authority 2021).

With these considerations in mind, a new analysis of SHS service user data is presented in Figure 5.3. This analysis differentiates service users in any given month on the following basis:

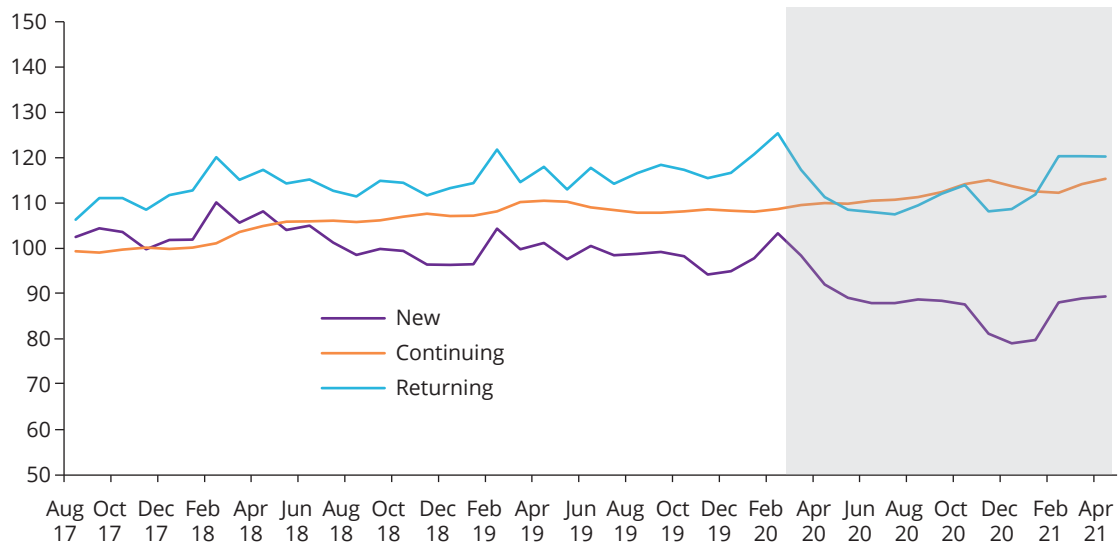
- new service user – person receiving services in a given month for the first time (since the current system was established in 2011)
- continuing service user – person receiving services in a given month and already receiving services in the previous month
- returning service user – person receiving services in the current month and in an earlier month (since 2011) but not in the previous month.

To indicate the relative size of these cohorts, in January 2021, around 87,600 people received SHS services, of whom 76% were continuing clients, 14% returning clients and 10% new service users. Classified as such, this new breakdown arguably provides a more meaningful insight into homelessness trends during the pandemic than the standard data presentation. Given the hugely differing size of the three cohorts trend over time analysis needs to be undertaken on an indexed basis, as in Figure 5.3.

As shown in this figure, the ‘continuing service user’ caseload saw an ongoing upward trend during 2020 and into 2021, consistent with the 2017–2019 pattern. New homelessness cases, meanwhile dropped sharply during 2020 – falling from 11,200 in February 2020 to 8,400 in January 2021, a drop of one-quarter. Particularly given the relative stability of the ‘new service user’ cohort from 2017 to 2019, this fall appears notable.

Figure 5.3: Trend in SHS service user cohorts (per cent, each cohort indexed to July 2017), Aug 2017–Apr 2021

Change over time from July 2017, indexed (July 2017 = 100)



Note: Data are indexed to July 2017. Data have been smoothed to dampen month-to-month volatility.

Source: Unpublished, AIHW SHSC – monthly collection.

Perhaps similarly of note, the trend of newly arising homelessness in 2020 (as shown in Figure 5.3) coincides closely with the sharp reduction in new homelessness apparent from the ‘flow based’ official homelessness statistics for England (Fitzpatrick et al. 2021). It would seem possible that, in both countries, these trends in part reflect the parallel eviction moratoriums imposed from March 2020 to protect vulnerable renters during the pandemic.

For most of the year to April 2021 the flow of SHS new service users was running at 10–20% below the norm of the previous 2 years. One way to quantify the overall impact of this downturn in new applications for assistance is to compare the recorded number of such cases with the number that would have eventuated from a continuation in the incidence of new SHS service users in the preceding year (that is, the 12 months to 31 March 2020). By April 2021, the difference between these 2 numbers – the number of people for whom homelessness was avoided – totalled some 15,000.

It is also important to consider that the counter-factual scenario for 2020 might have involved a sharp increase in renter evictions due to rising arrears caused by lockdown-induced loss of income. Even allowing for the fact that most tenants in this situation will have been protected by the Australian Government's income support measures shown in Table 5.1, many non-permanent residents (for example, international students and migrant workers) were excluded from such support (Pawson et al. 2021 p28). Viewed from this perspective, the quantum of homelessness prevented by eviction moratoria could have been substantially higher than 15,000.

Pandemic impacts on the private housing market

House sales: The national picture

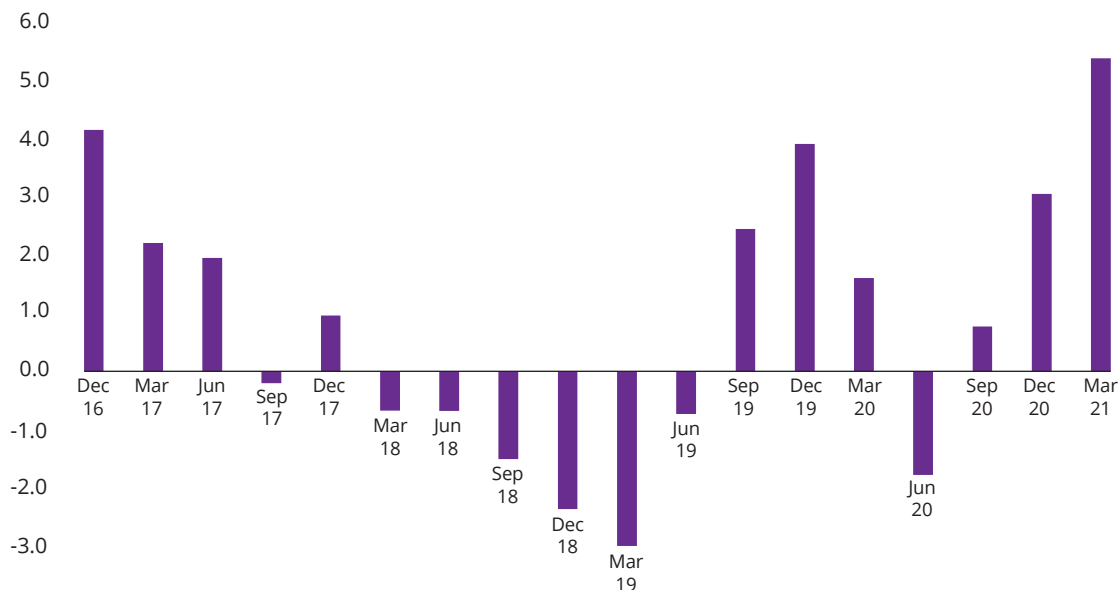
Confounding most analyst predictions, house prices were only briefly dampened by the 2020 recession. As shown in Figure 5.4, the national average price dipped only in 2020 Q2, before recovering strongly in the second half of the year. By Q1 2021, prices were rising at their fastest quarterly rate since 2009. Considering the substantial economic headwinds experienced during 2020, and even into 2021, this is a remarkable story. In particular, the rapid house price recovery occurred despite:

- unemployment persisting during 2020 at rates substantially higher than pre-pandemic rates
- wage growth continuing to run at historically low levels
- population growth more than halving – for at least 2 years – mainly due to eliminated international migration gain (see later in this section).

Most commentators have attributed house sales market 'resilience' mainly to the additional cuts in mortgage rates in 2020, as well as to the Reserve Bank of Australia's (RBA's) public assurance (October 2020) that base rates would remain at their record low levels until at least 2023. The RBA itself has acknowledged the strong causal relationship between interest rates and house prices (Saunders & Tulip 2019); it estimated that a 1 percentage point interest rate reduction is likely to generate a 30% real increase in house prices 3 years later. Indeed, it could be argued that sharply rising house prices from the second half of 2020 are an indirect effect of the COVID-19 recession. That is, these higher prices resulted from RBA base rate cuts – which were a monetary policy response to the economic downturn as part of wider official efforts to moderate the recession's business impact.

Figure 5.4: House prices, Residential Property Price Index, 8 capital cities, 2016–2020

Quarterly percentage change



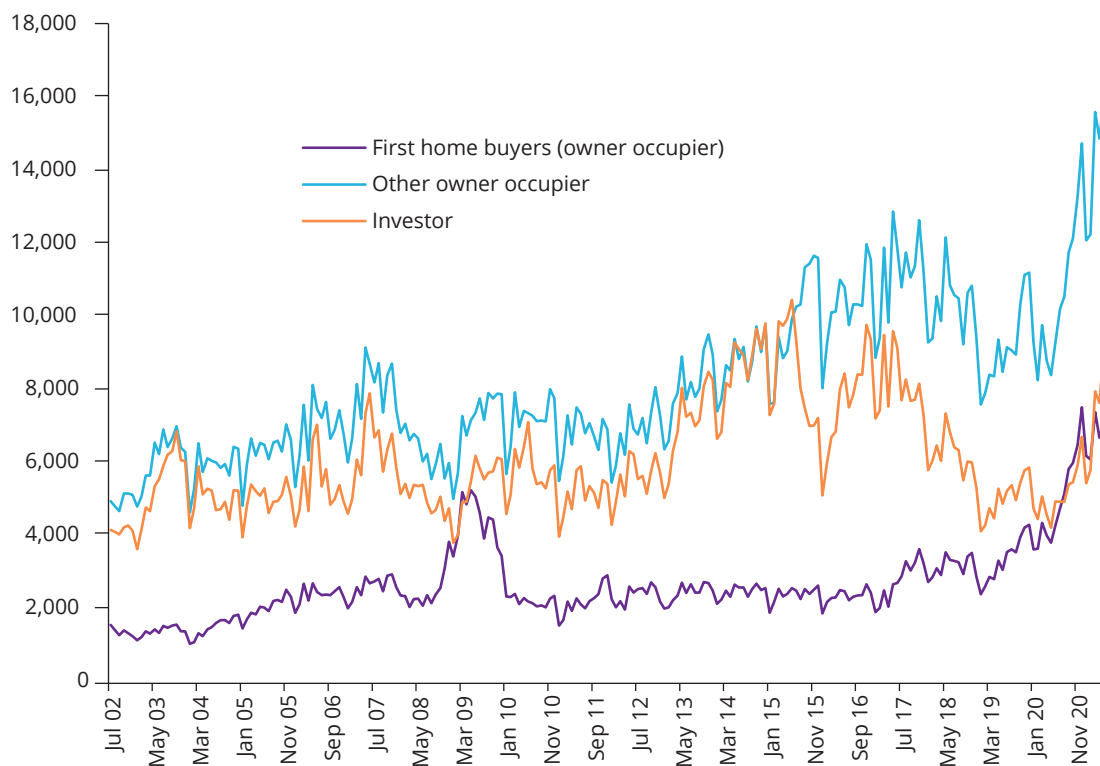
Source: ABS 2021b.

Compounding the housing market impact of record low interest rates in 2020 was official action to directly stimulate market activity through homebuyer grants and associated assistance. The single most notable program was the Australian Government's \$2.1 billion HomeBuilder initiative, launched in July 2020. This initially offered \$25,000 grants (later reduced to \$15,000) to build a new home or substantially renovate an existing home. In combination with grants and concessions offered by certain state/territory governments, some homebuyers were able to access financial help totalling \$80,000 in such official aid.

Probably at least in part reflecting these policy interventions, the housing market boom that followed the pandemic crisis has been substantially driven by a revival in first home buyer (FHB) activity (Figure 5.5). By December 2020, FHB mortgage approvals had risen by 66% on the figure 12 months earlier, whereas the comparable figures for other owner occupiers and rental investors were 35% and 14%, respectively. The surge in FHB demand is likely to have substantially reflected the policy stimulus of ramped-up financial assistance. However, especially because of the time-limited nature of these programs, many applicants will have been encouraged to bring forward existing house-buying plans to benefit accordingly. To this extent, a 'vacuum effect' could result when programs end. That is, a period of sharply depressed FHB activity – as seen in the aftermath of equivalent programs enacted to counter the Global Financial Crisis in 2008–09.

Figure 5.5: New housing finance issued, July 2002 – May 2021

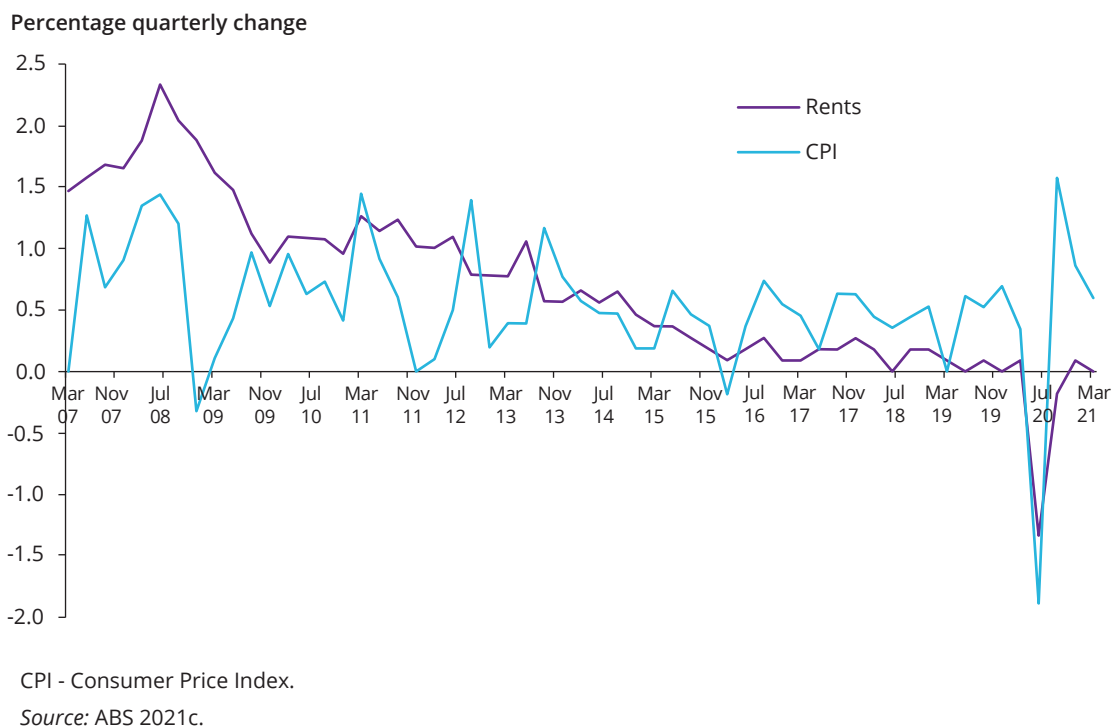
Housing finance issued (\$millions)

*Note:* Figures exclude re-financing.*Source:* ABS 2021d.

Private rental market

The 2020 pandemic gave rise to unprecedented turbulence in Australia's rental housing market. Most strikingly, for the first time since records began (in 1972), the national average rent dropped quarter on quarter – not only in 2020 Q2, but also in 2020 Q3 (Figure 5.6). Even in 2021 Q1, the ABS National Rent Index remained well below its level 12 months earlier (ABS 2021c).

Figure 5.6: Rents and Inflation, quarterly percentage change, Australia, 2007–2021



The overall rental market downturn, as reflected in rent deflation, would have resulted mainly from reduced demand for rental property during the pandemic because of 3 main factors:

- diminished population growth attributable to migration
- cessation of international tourism and business travel
- diminished capacity of existing renters to sustain previous rental expenditure.

Each of these factors is briefly explained below.

The specific importance of migration (including permanent and temporary migration; for example, international students) is the understanding that most new migrants will at least initially reside in rental housing. Closure of Australia's international borders to incoming migrants from February/March 2020 was followed during the remainder of the year by a substantial outflow of foreign nationals. Extraordinarily, despite the managed return to this country by tens of thousands of Australian expatriates fleeing the pandemic in other countries, it was officially estimated that 2020–21 would see a Net Overseas Migration (NOM) outflow of 72,000 people (Department of the Treasury 2020). This is a dramatic contrast with the recent norm of NOM annual gains, which are typically in the range 200–250,000.

The cessation of international tourism and business travel during the pandemic would have had an impact on the rental market via the short-term letting sector – dwellings rented out through platforms such as AirBnB – which until then had been rapidly expanding. In early 2020, in Sydney and Melbourne alone, more than 42,000 entire dwellings were listed on Airbnb (Pawson et al. 2021). By October, the number had fallen by over 20% to fewer than 33,000. It is thought that a large proportion of this reduction would have resulted from properties being returned to the mainstream rental market, with a consequential dampening effect on rents.

As noted earlier, the COVID-19 economic downturn triggered large-scale job losses. Survey evidence suggests that at least one-quarter of renters would have lost income as a result (Pawson et al. 2021). Such evidence also indicates that somewhere between 8% and 16% of tenants negotiated a rent variation with their landlord – thus directly contributing to falling rents in aggregate. Beyond this, while it cannot be quantified, it seems probable that appreciable numbers of young adult tenants chose to cut their rental expenditure by vacating their property – either returning to the family home, or choosing to share with others.

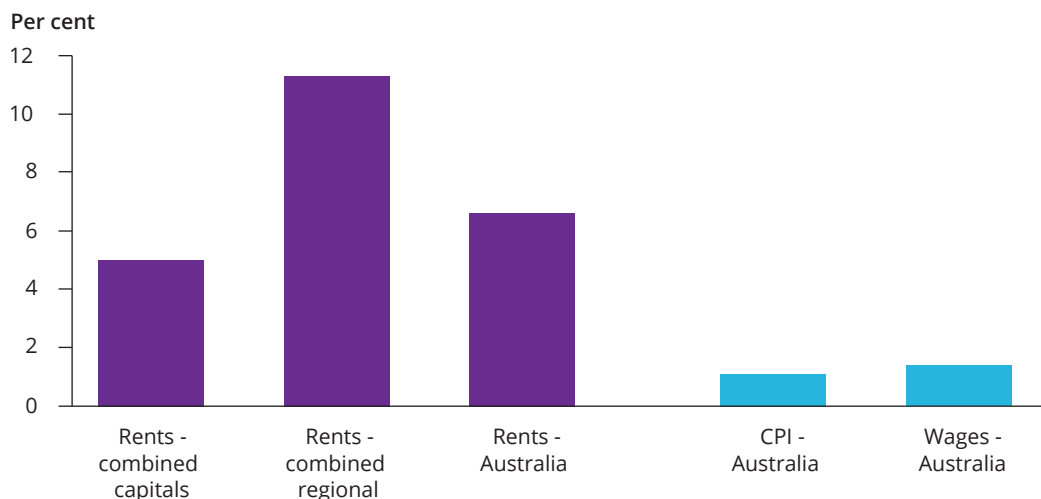
In rounding off this analysis it is important to note that, at the time of writing, the latest available statistics show rents recovering strongly in early 2021. Indeed, according to CoreLogic (2021) the national median rent rose 6.6% in the year to June 2021 – once again the fastest Australia-wide increase since 2009. Albeit from a pandemic nadir, this growth rate is also far in excess of general CPI, which rose by only 1.1% in the year to March 2021. Moreover, as further discussed below, recent rent increases have been yet more striking in certain markets.

Housing market trends in 2020–21: spatial and property type variations

Before concluding this chapter, it is important to highlight notable 2020 housing market developments below the national level – or otherwise specific to different property types. Especially as far as the house sales market is concerned, the extent of regional versus metropolitan market divergence seen in 2020 has received much attention from residential property analysts. While house prices in Australia’s capital cities have generally continued to exceed those in most regional areas, the metropolitan–regional price gap markedly narrowed during the pandemic. In CoreLogic’s Home Value index, for example, the annual value increase in the year to March 2021 was 17.7% in regional Australia compared with 12.4% across the combined capitals (CoreLogic 2021a).

Rental markets have recently shown a remarkably similar spatial pattern to those for house sales. Rents have risen markedly more rapidly in regional settings than in capital cities (Figure 5.7). Regional renters reliant on state benefits such as JobSeeker and Rent Assistance will have seen their incomes rising by little more than 1% in 2021, while their next (market reflective) rent increase might be ten times this magnitude on an annualised basis.

Figure 5.7: Median rent change (per cent), 12-months to June 2021



CPI - Consumer Price Index.

Source: CoreLogic 2021a; ABS 2021c; ABS 2021e.

Spatial contrasts in housing market trends will partly reflect the geographical specificity of the housing demand changes outlined earlier – in particular, the spatially concentrated impacts of reduced international migration (especially that involving overseas students) and tourism as these have especially affected inner urban areas and certain resort locations.

At the same time, for both the rental and house sales markets, it has been hypothesised that increased housing demand outside capital cities could be a product of the rise in remote working that has resulted from the pandemic. For those employed in certain types of work, this at least temporarily weakened the link between residential and employer locations. Arguably, for many people, the feasibility of living further from an office or other workplace opened up the possibility of moving away from the capital cities where most companies and government offices are located.

Apparently consistent with this hypothesis, official inter regional migration statistics showed a spike in migrant population losses for capital cities in the first 3 quarters of 2020 (ABS 2021f). Nevertheless, the absolute scale of such inter-regional migration remains relatively modest. A different explanation for disproportionately increased housing demand in regional locations posits that this trend results from the housing preferences of the Australian expatriates who returned to the country in large numbers during 2020 and 2021.

Finally, on a similar theme, many have suggested that pandemic lockdowns and working from home have altered housing demand preferences in relation to dwelling type. This has been proposed as part of the explanation for the marked divergence in price (and rent) trends for houses and apartments seen in 2020-21. Nationally, in the year to March 2021, the national median price for houses rose by 7.4%, while the apartment increase was just 2.3% (CoreLogic 2021b). In the rental market, meanwhile, analysis for Sydney and Melbourne for the 12 months to March 2021 showed even more marked divergence – since apartment rents fell whereas house rents rose over this period (Ibid).

Conclusion

While the public health consequences of COVID-19 have been much more moderate in Australia than in most other countries, the pandemic nevertheless had a substantial impact on housing policy, and on the housing system. Both levels of government quickly enacted largely effective emergency measures to protect both existing renters and homeless people from possible resulting risks. However, the limited success of state governments in arranging longer term housing solutions for homeless people caught up in the pandemic highlighted pre-existing housing system vulnerabilities – in particular, the limited capacity of social rental provision and the large and growing gap between Rent Assistance maxima (pegged to CPI) and actual rents (Productivity Commission 2019, Figure 14).

Among the existing private renter population, some would have benefited directly or indirectly from the rare situation of rental price deflation that affected many capital city locations during 2020. For some, this would have made it much easier to negotiate a reduced rent themselves – or to quit an overly-expensive home in preference for one offered at a lower price. In the aftermath of the 2020 crisis, however, rents – along with house prices – bounced back strongly in early 2021, especially in regional Australia.

In many non-metropolitan locations, aspiring local home buyers and renters alike will therefore have faced stiffer competition to secure suitable properties. Over the longer term these trends may stimulate expanded housebuilding in more pressured regional locations. At least in the short to medium term, though, longstanding low-income renters in these areas will likely face growing affordability stress as higher housing demand gradually filters through the market in the form of rising rents affecting existing, as well as new, tenants.

The remarkable house price boom that emerged from the pandemic is substantially a product of policy rather than purely the outcome of market forces (Maclennan et al. 2021) – in particular, monetary measures enacted as a direct response to the COVID-19 crisis itself. These appear to have placed Australia back on its pre-2020 housing market trajectory. This is a path that, through its effect in sharpening the wealth divide between property owners and renters (ABS 2019), is a major contributor to the growing wealth inequality that itself poses a substantial policy challenge to both levels of government. Further, the episodic nature of subsequent lockdowns as outbreaks occur means that the pandemic impacts and responses story for housing remains unfinished.

Author acknowledgements

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6

Regional variation in assistance to homeless Indigenous Australians

6. Regional variation in assistance to homeless Indigenous Australians

Housing circumstances can have a big and long-lasting impact on health and wellbeing (Foster et al. 2011; Marsh et al. 2000). Australians who do not have access to stable and secure housing often face substantial challenges related to domestic violence, mental and other ill health, disability, substance misuse, employment and other social or economic circumstances (AIHW 2020b, 2020c; Davies & Wood 2018; Zaretsky et al. 2013). These challenges can be both the causes of homelessness and the consequences of homelessness.

Aboriginal and Torres Strait Islander people are over-represented among the people experiencing homelessness in Australia. Despite making up only about 3.3% of the overall population, 20% – or 23,437 – of the estimated number of people who were homeless on the night of the Census of Population and Housing (the Census) in 2016 were Indigenous Australians (ABS 2018a).

Box 6.1 shows the categories of housing circumstances that the Australian Bureau of Statistics (ABS) uses to estimate the number of people who are homeless on each Census night. It is important to note that the circumstances under which many Indigenous Australians would consider themselves homeless do not always match this definition (ABS 2018a).

Box 6.1: Census homelessness categories

- Persons living in improvised dwellings, tents, or sleeping out
- Persons in supported accommodation for the homeless
- Persons staying temporarily with other households
- Persons living in boarding houses
- Persons in other temporary lodgings
- Persons living in 'severely' crowded dwellings

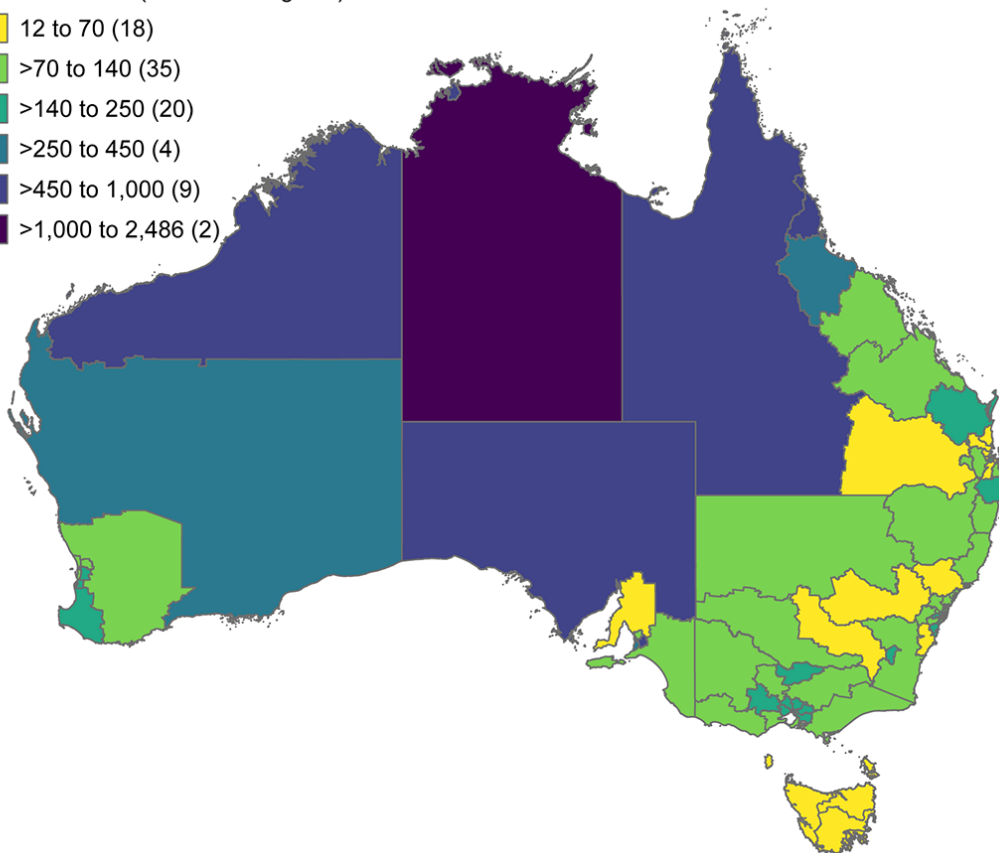
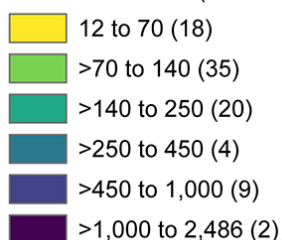
Among Indigenous Australians, homelessness is most prevalent in the Northern Territory, where about 1 in 5 (21%) were homeless on Census night in 2016. To a large degree, this is due to a high proportion of Indigenous Australians in the Northern Territory (18% of the total population, or 88% of those reported to be homeless) living in severely crowded dwellings (ABS 2018a). A 'severely' crowded dwelling is defined as one that needs 4 or more extra bedrooms to accommodate the people who usually live there, according to the Canadian National Occupancy Standard, which is widely used in Australia and internationally to define overcrowding.

The rate of homelessness also varies within states and territories. Figure 6.1 shows how the rate of homelessness among Indigenous Australians on Census night in 2016 varied between the ABS's Statistical Areas Level 4 (SA4s).

Nationwide, the estimated proportion of Indigenous Australians who were homeless on Census night dropped over the last 3 Censuses, from 5.7% in 2006 to 3.6% in 2016 (ABS 2018a). This was mostly due to a decline in the proportion of people living in severely crowded conditions. Increasing the proportion of Indigenous Australians who live in appropriately sized housing – that is, housing that is not overcrowded (including severely crowded and other overcrowded categories) – from 79% at the time of the 2016 Census to 88% by 2031 is Target 9 in the National Agreement on Closing the Gap (PM&C 2020).

Figure 6.1: Rate of Indigenous Australians (per 10,000 population) who were homelessness on Census night in 2016, by SA4

ASGS SA4 – Rate (number of regions)



Note: ASGS = Australian Statistical Geography Standard.

Source: AIHW analysis of ABS Census of Population and Housing, 2016.

Specialist Homelessness Services

The Australian Government provides funding for homelessness services to the state and territory governments in accordance with the National Housing and Homelessness Agreement (NHHA) (DSS 2020). State and territory governments fund non-government organisations to support people currently experiencing homelessness and people at risk of becoming homeless. The current funding arrangements are set out in the NHHA, which came into effect on 1 July 2018. Indigenous Australians are a national priority cohort in this agreement.

State and territory departments identify agencies that are expected to provide data to the Specialist Homelessness Services Collection (SHSC). Participating agencies vary in size and in the types of services they deliver, but all receive government funding to assist with accommodation and/or to provide personal services aimed at preventing people at risk of homelessness from becoming homeless, or to provide crisis and post-crisis assistance. The *Specialist homelessness services annual report* contains a full list of the services provided and is available at www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/summary. Box 6.2 shows the different accommodation circumstances that can apply for people considered to be homeless or at risk of homelessness in the SHSC.

Since it started in July 2011, the SHSC has recorded services provided to 1.3 million clients by more than 1,600 participating agencies (AIHW 2020c). Other organisations not funded under the SHSC (and whose data are therefore not captured) also assist substantial numbers of Australians who are either homeless or at risk of homelessness.

Box 6.2: Clients who are homeless or at risk of homelessness in the SHSC

A client is considered to be homeless if they live in any of the following circumstances:

- no shelter or improvised dwelling
- short-term temporary accommodation
- couch surfing or living with no tenure.

Specialist Homelessness Services (SHS) are also provided to clients considered to be at risk of homelessness. Their accommodation circumstances can include:

- public or community housing
- private or other housing
- institutional settings.

Around 3 in 5 clients of SHS agencies are females. This proportion, which is about the same for Indigenous and non-Indigenous clients, shows little variation between jurisdictions and has remained relatively constant since the SHSC started. A sizeable proportion of SHS clients are children aged 0–14, who represented nearly one-quarter (23%) of SHS clients in 2017–18 (AIHW 2020a). That year, about 1 in 14 (7.1%) Indigenous children aged 0–14 were SHS clients. People aged 55 or over constituted close to 1 in 12 (8.1%) SHS clients in 2017–18 (AIHW 2019).

Patterns of use

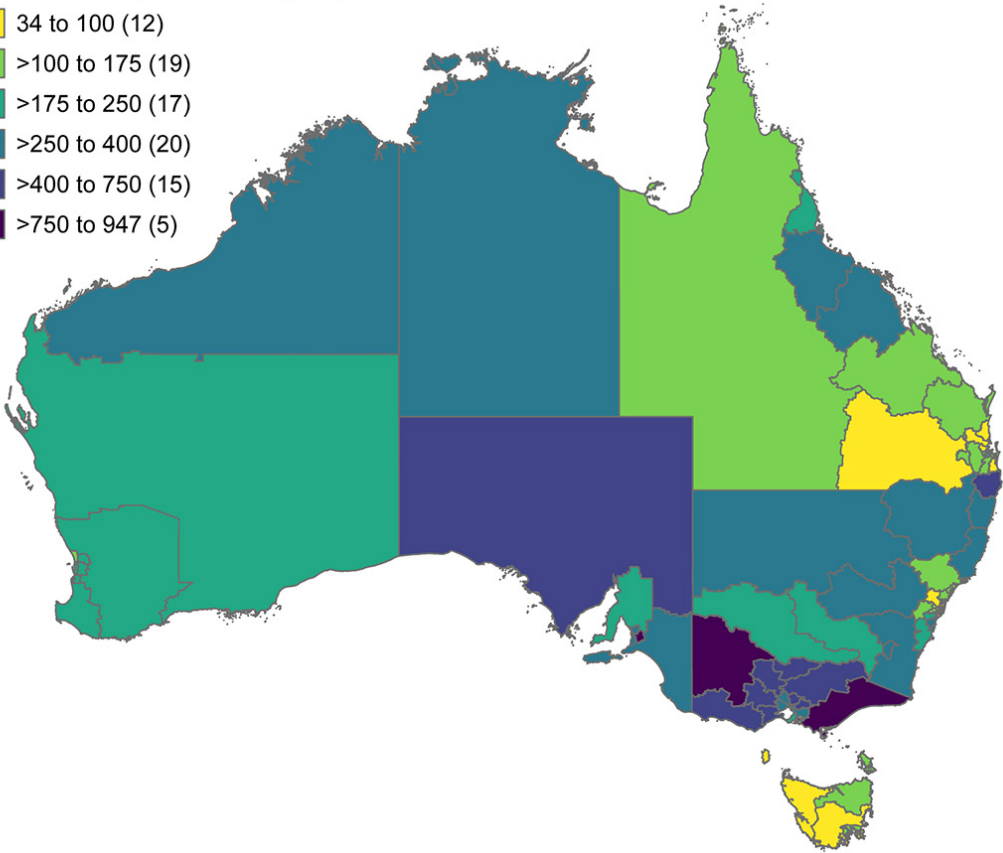
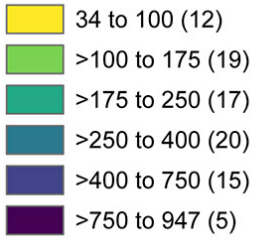
The number of people who receive assistance from SHS agencies each year has grown since the SHSC started in 2011. To some degree, this likely reflects the increased availability and funding of these services. Between 2011–12 and 2019–20, the number of SHS agencies increased from 1,486 to 1,625 Australia wide (AIHW 2020c). However, many organisations continue to report that they are unable to meet the demand for their services. Survey results published by Flatau and others (2016) suggested that 67.5% of all agencies and 61.6% of agencies with a focus on Indigenous clients were able to meet more than 75% of the demand. This means that any increase in available resources is likely to lead to an increase in the number of clients as more of the unmet demand can be met.

The proportion of people who were clients of SHS agencies between 2011–12 and 2019–20 rose from 5.4% to 8.0% for Indigenous Australians and from 0.76% to 0.85% for non-Indigenous people. The state or territory with the highest proportion of Indigenous Australians who receive assistance from SHS agencies was Victoria, where more than 1 in 6 Indigenous Australians (16.8% or 10,398 people) were clients in 2019–20 (AIHW 2020c).

Figure 6.2 shows the average monthly rate at which Indigenous Australians were clients of SHS agencies in each SA4 between July 2017 and November 2020. Many of the areas with the highest rates are in regional Victoria, where more than 1 in 25 (400 per 10,000) Indigenous Australians received assistance from SHS agencies in most SA4s (ABS 2018b). The rate of Indigenous SHS clients is generally lowest in Tasmania and Queensland, and in a small number of SA4s in New South Wales.

Figure 6.2: Average monthly rate of SHS clients (per 10,000 population) between July 2017 and November 2020, by SA4

ASGS SA4 – Rate (number of regions)



Source: AIHW analysis of SHSC and ABS Estimated Resident Population, 2016.

Patterns by state and territory

Nationwide, Indigenous Australians constituted one-quarter (25%) of the clients receiving assistance from SHS agencies in mid-2020. Between July 2017 and November 2020, the Northern Territory had the highest proportion of Indigenous clients (84% on average) and Victoria the lowest (11% on average), as shown in Figure 6.3.

Figure 6.3: Average monthly percentage of SHS requests made by Indigenous and non-Indigenous clients between July 2017 and November 2020, by state and territory



Source: AIHW analysis of SHSC.

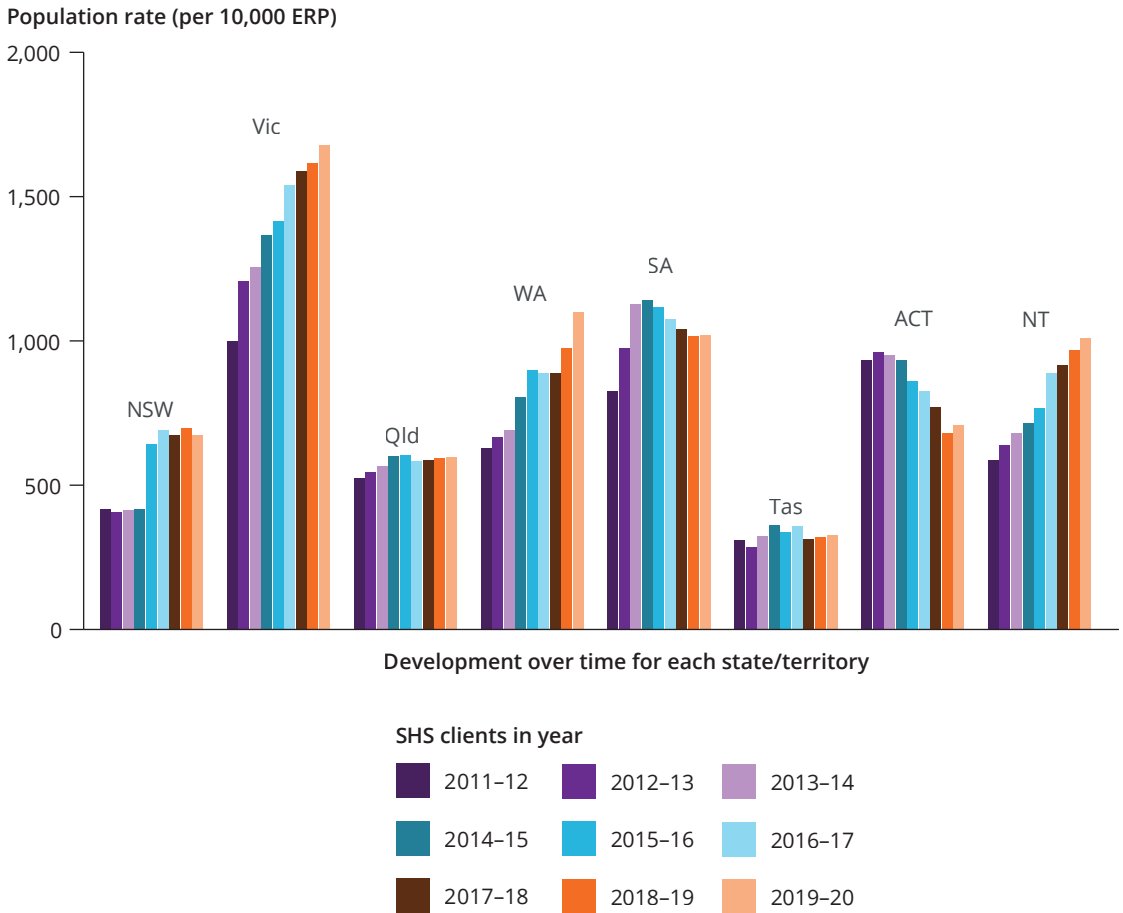
Figure 6.4 shows the rate of Indigenous Australians (clients per 10,000 population) who received assistance from SHS agencies in each state or territory in each financial year since 2011–12. For reference, the rate of Indigenous Australians who were homeless on Census night in 2016 is shown in Figure 6.5.

When comparing these rates, it is important to note:

- the estimated rate of people experiencing homelessness in the 2016 Census reflects the situation on a single night and not the rate of people who experienced homelessness at any time throughout the year, a figure that is likely to be substantially higher (Pawson et al. 2020)
- people who received assistance from SHS agencies include those who are homeless and those at risk of homelessness

- the SHSC and the Census use different methodologies to capture and define homelessness and the risk thereof; for example, the Census definition of homelessness includes people living in severely crowded dwellings and the SHSC definition does not
- not everyone recorded as homeless in the Census would consider themselves in need of, or be eligible for, assistance from SHS agencies, and vice versa
- organisations participating in the SHSC are not the only agencies in Australia assisting people who are homeless or at risk of homelessness.

Figure 6.4: Annual population rates (per 10,000 persons) of Indigenous SHS clients (2011–12 to 2019–20), by state and territory



Source: AIHW analysis of SHSC and ABS Estimated Resident Population, 2016.

Figure 6.5: Rate of Indigenous Australians experiencing homelessness on Census night in 2016 (per 10,000 persons), by state and territory



Source: ABS Census of Population and Housing, 2016.

Except for the Northern Territory, the number of Indigenous Australians who were SHS clients in a year exceeded the ABS's estimated number of homeless Indigenous Australians on Census night in 2016 in all states and territories. The Northern Territory had the highest rate of homeless Indigenous Australians – the majority of whom were recorded as homeless because they lived in severely crowded dwellings (requiring 4 extra bedrooms or more). It is clear that many of the Indigenous Australians in the Northern Territory who lived in severely crowded dwellings were not being assisted by the agencies participating in the SHSC. When considering only people recorded as homeless for other reasons, the Northern Territory still had the highest rate of homelessness among Indigenous Australians; however, the difference was much smaller and the rate did not exceed the rate of Indigenous Australians who were SHS clients in a year (figures 6.4, 6.5).

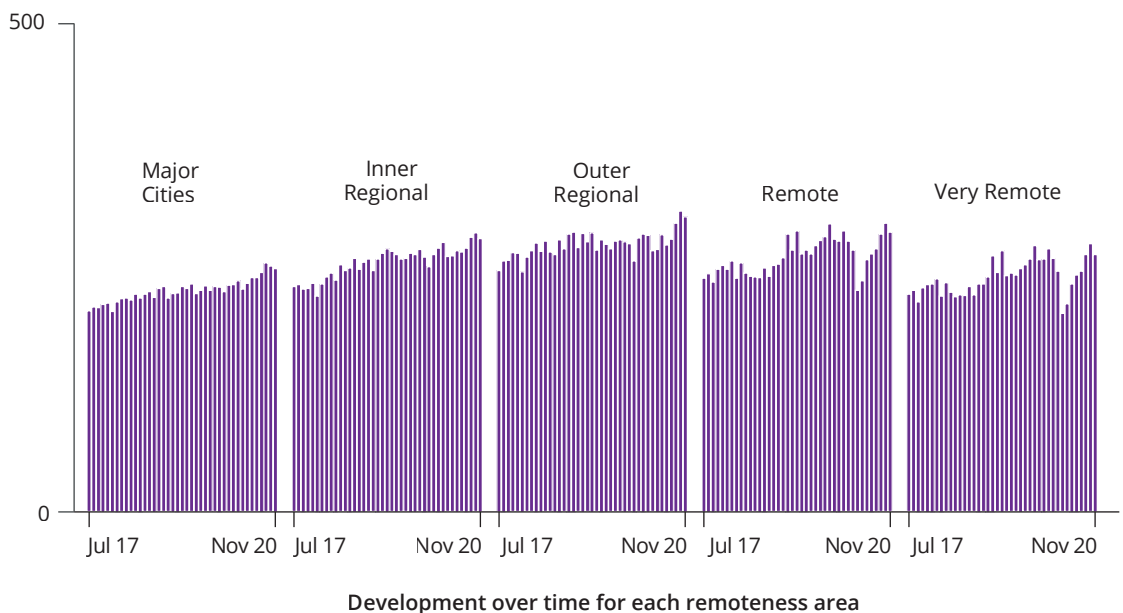
Patterns by remoteness area

Considering monthly SHS use (Figure 6.6) and homelessness (Figure 6.7) by the ABS's remoteness classification, some striking patterns emerge.

First, the proportion of Indigenous Australians who are clients of SHS agencies in a month is similar across all remoteness areas. This means that, overall, SHS agencies assist a largely similar proportion of Indigenous Australians in urban, regional and remote parts of Australia each month.

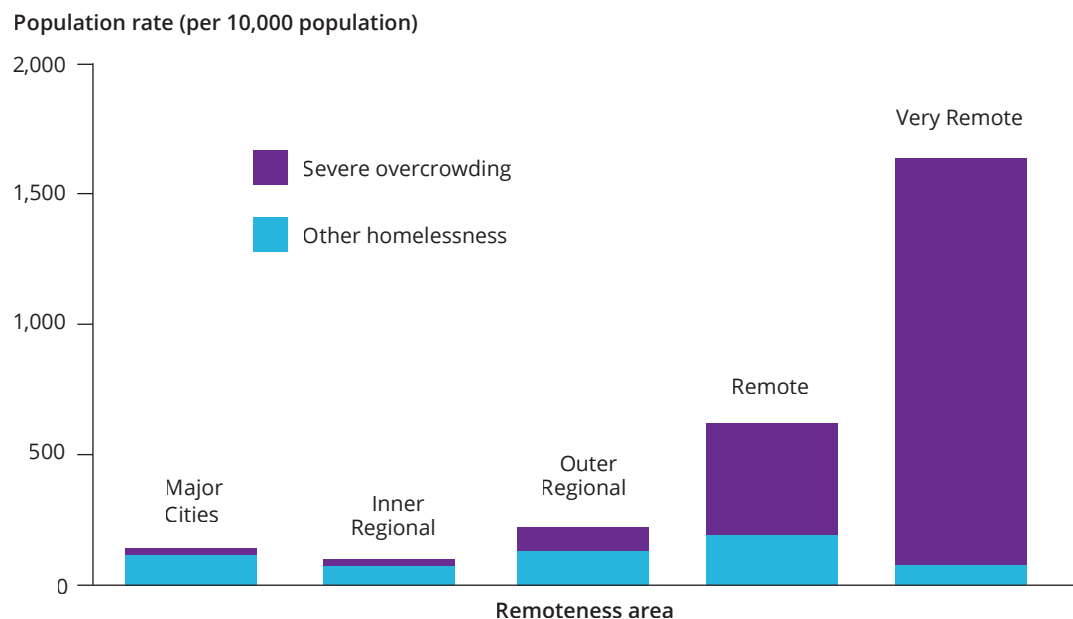
Figure 6.6: Monthly rate of Indigenous SHS clients (per 10,000 persons) between July 2017 and November 2020, by remoteness area

Population rate (per 10,000 ERP)



Source: AIHW analysis of SHSC and ABS Estimated Resident Population, 2016.

Figure 6.7: Rate of Indigenous Australians (per 10,000 persons) experiencing homelessness on Census night in 2016, by remoteness area



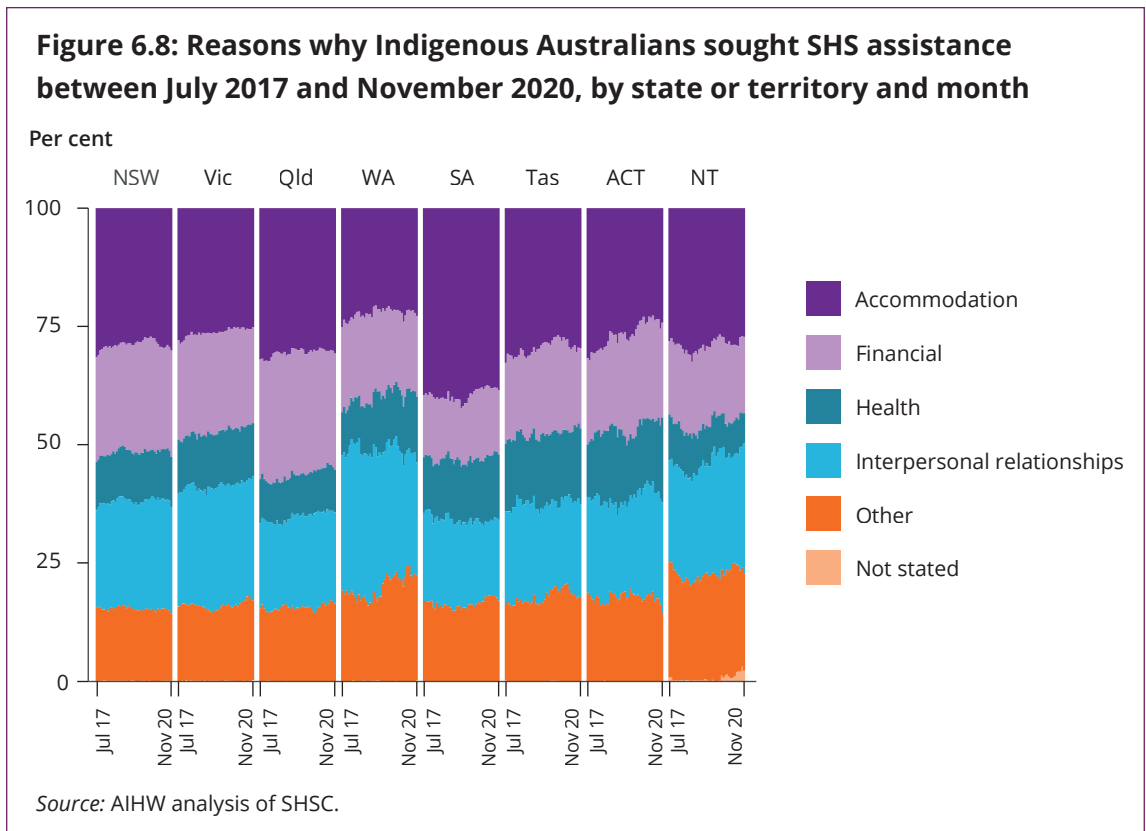
Source: ABS Estimated Resident Population 2016 and ABS Census of Population and Housing, 2016.

Second, the total rate of homelessness, as recorded by the Census, is much higher among Indigenous Australians in *Remote* and *Very remote* areas than in other parts of Australia; in these regions, it also far exceeds the rate of Indigenous Australians who are clients of SHS agencies. In *Major cities* and *Inner regional* areas, the proportion of Indigenous Australians who were homeless on Census night in 2016 was lower than the proportion of Indigenous Australians who were clients of SHS. However, it should be noted that SHS clients can be either homeless or at risk of homelessness.

Third, a higher proportion of Indigenous Australians recorded as homeless in the 2016 Census were living in severely crowded dwellings in *Remote* and *Very remote* areas than in non-remote areas. There is far less variation in homelessness between remoteness areas when considering only Indigenous Australians recorded as homeless for reasons other than living in severely crowded dwellings. In this case, the rate of homelessness among Indigenous Australians does not increase with increasing remoteness and is lower than the proportion of Indigenous Australians who were clients of SHS agencies each month.

Reasons for seeking assistance

The SHSC records the reasons clients receive assistance from SHS agencies, which can be summarised by the following categories: accommodation, finances, health, and interpersonal relationships (including domestic violence). Reasons not covered by these categories are categorised as 'Other' in this article. Figure 6.8 shows the distribution of reasons why clients accessed SHS agencies in each state or territory. It should be noted that clients can list multiple reasons for why they need assistance.



The proportions of recorded reasons within each category have remained relatively constant over time. Again, this will not only reflect the need for assistance but also the availability of different types of services. There has been a slight trend towards an increased proportion of recorded reasons in the interpersonal relationships category (including domestic violence) in Victoria and the Northern Territory. This trend is not evident in Western Australia; however, the proportion of Indigenous clients who list interpersonal relationships as a reason remains the highest in this state, accounting for nearly 1 in 3 (28%) of all recorded reasons. South Australian Indigenous clients list accommodation as a reason for seeking SHS assistance more often than anywhere else in the country, with 2 in 5 (39%) reasons recorded in this category.

Impact of COVID-19

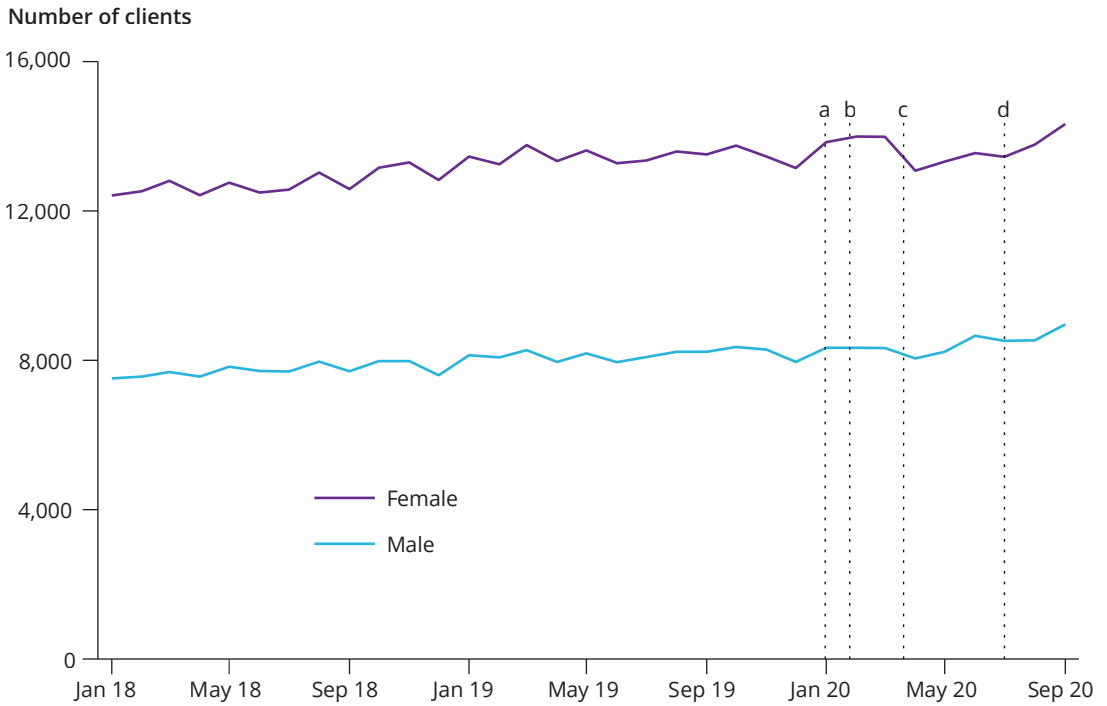
Reduced use of key services has been a major concern in countries where shutdowns and other measures restricting the movement of people have been implemented in response to the coronavirus disease 2019 (COVID-19) pandemic. A fear of contracting COVID-19 may also have made some people actively avoid using certain services even when the services have still been available (Biddle et al. 2020; Wong et al. 2020). Another possibility was that the need for many services – including SHS – would increase because the responses to the COVID-19 pandemic would increase the risk of financial hardship, domestic violence and mental health issues.

In Australia, a range of temporary policies aimed at protecting public health and assisting the homeless population and people at risk of becoming homeless during the pandemic were implemented in the states and territories (AIHW 2020c; Parsell et al. 2020). Efforts differed between jurisdictions, but a main focus was on emergency accommodation for rough sleepers. Non-government organisations played a key role in this response, with specific practices again varying between states (Pawson et al. 2020). For example, the South Australian Government focused primarily on housing rough sleepers by offering longer temporary accommodation. New South Wales offered shorter temporary accommodation, with extensions made on a case-by-case basis. In Brisbane, initiatives were taken to provide safer short-term accommodation for vulnerable women and their children and, in the Australian Capital Territory, funding was increased to meet an increased demand for services related to domestic violence or sexual assault (AIHW 2020c).

The nationwide statistics of the recipients of the homelessness response to COVID-19 are not available and the extent to which they will be reflected by the SHSC varies between states and territories. Pawson et al. (2020) estimated that more than 7 in 10 (71%) recipients of the COVID-19 response by SHS in Melbourne were male. In comparison, about 3 in 5 of the usual clients of SHS agencies are female. The proportion of Indigenous recipients of the SHS response to COVID-19 in Melbourne was about 12%, which is close to the 11% usually observed in the SHSC.

As some of the additional funding provided in response to COVID-19 was delivered through services outside the scope of the SHSC, SHSC data covering the COVID-19 period may not be representative of the demand in Australia (AIHW 2020c). In general, the monthly SHSC data for 2020 did not reveal any dramatic changes in the use of SHS services that can be linked to the development of the COVID-19 pandemic in Australia or to the measures governments put in place. The numbers of male and female SHS clients nationwide up to September 2020 are shown in Figure 6.9 along with some of the key dates of relevance to the COVID-19 pandemic in Australia.

Figure 6.9: Number of Indigenous SHS clients nationwide between January 2018 and September 2020, by sex



- a) Summer 2019 fires, announcement of COVID-19.
- b) First COVID-19 case in Australia.
- c) Limitations on gatherings across Australia, announcement of funding for homeless providers.
- d) Victorian second wave.

Note: The inclusion of an ‘Other’ category for sex was introduced for support periods starting from 1 July 2019. Clients identifying as ‘Other’ have been included in the ‘Female’ category from 2019-20 due to data quality and confidentiality concerns.

Source: AIHW analysis of SHSC.

Conclusion

Indigenous Australians are most likely to be homeless in remote parts of Australia. There is variation between remote regions, however, driven in part by the proportion of people living in severely crowded conditions. In terms of clients per capita, assistance provided to Indigenous Australians by the agencies that participate in the SHSC is fairly uniform across remoteness areas, but there is some regional variation.

Because the proportion of Indigenous Australians who are homeless is higher in remote than in non-remote areas, a lower proportion of homeless Indigenous Australians are clients of the SHS agencies in remote areas than in non-remote areas. However, this pattern disappears if Indigenous Australians living in severely crowded dwellings are not included in the counts of homeless people.

The COVID-19 pandemic does not appear to have resulted in substantial changes to the monthly number of Indigenous Australians who are clients of SHS agencies. A range of measures to assist homeless people, including temporary accommodation, have been put in place in the states and territories in response to the pandemic. This has not yet had a big effect on the assistance to Indigenous clients reported through the SHSC; however, future changes to the measures will likely have an impact on Indigenous Australians who are homeless or at risk of homelessness, and on the demand on SHS agencies.

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7

Australia's changing disability data landscape

7. Australia's changing disability data landscape

Around 1 in 6 Australians have disability – a very heterogeneous population group, with diverse characteristics, needs, aspirations and outcomes. High-quality and readily accessible information is essential to further understand the experiences of these Australians, while continuing to work with them on policies, programs and services to achieve optimal outcomes. Australia's data landscape continues to adjust in response to the demand for reliable, timely and policy-relevant statistics on people with disability, and to changes in the delivery of programs that require changes to evidence and data. The disability information base Australia has built has laid the platform for recent policy developments and improvements in the availability of information in some specific areas; however, critical data gaps remain.

This article provides a high-level overview of the disability data landscape and key factors influencing its future improvement, one of which is the keen interest in information captured on the minority of people with disability who access specialist disability supports and services. In this regard, information available on the delivery of the National Disability Insurance Scheme (NDIS) has increased in recent years. The NDIS Commission now monitors and reports on the quality and safety of NDIS supports and services for all of Australia's NDIS participants. However, there is little information on the full range of specialist support services provided to people with disability outside these arrangements, such as residual services delivered under the former National Disability Agreement (NDA).

New strategies often demand data improvement to support the measurement of targeted outcomes. The National Disability Strategy (NDS), due for renewal in 2021, will contain a detailed outcomes framework, aligned with an updated NDIS Outcomes Framework. The new strategy is expected to both require and drive data improvement to better understand outcomes for all people with disability. Similarly, recommendations from the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability RC), currently in progress, will likely be a key driver for directing future data improvements.

Major data linkage initiatives in recent years include, notably, the National Disability Data Asset (NDDA) pilot, which has the potential to improve the available evidence base not only on the needs of some disability population groups, but also on their use of specialist disability and mainstream services and their outcomes. As well, the National Disability Research Partnership now provides a disability research and policy hub, which should also help to identify future data gaps that need to be resolved to better understand the experiences of people with disability in Australia.

In the light of these developments, this article discusses:

- current sources of disability statistics in Australia
- key policy developments and government reviews that are continuing to affect the ongoing development of Australia's disability data landscape
- important disability data gaps, including those highlighted in response to the Coronavirus disease 2019 (COVID-19) pandemic
- work underway to improve Australia's evidence base on people with disability, including the NDDA.

Current sources of disability-related data

Over time, national data collections have been developed to inform policy makers on the experiences of people with disability as a population group, along with their support needs and access to services. Each data source has specific advantages and disadvantages, providing information about certain aspects of the lives of people with disability or the services they receive. While available data sources are fit for purpose, they have varying degrees of accessibility, quality and usefulness for analysis of the experiences of people with disability. For example, the definition and identification of people with disability used in each collection can vary, depending on the collection type and purpose; furthermore, some data are useful only if linked to another source that allows some information about disability to be inferred.

Key national policy developments and the COVID-19 pandemic are generating a renewed focus on the timeliness and availability of data on the characteristics, service use and outcomes of all people with disability.

Specialist disability services administrative data

Several administrative datasets contain valuable information on the delivery of specialised disability supports and services. Until recently, there have been 3 national administrative data collections that are disability specific.

Disability Services National Minimum Data Set

Between 2003–04 and 2018–19, the AIHW annually compiled unit record data from jurisdictions in the Disability Services National Minimum Data Set (DS NMDS). These data related to the provision of disability support services under the NDA, such as accommodation and community support services, and open and supported employment services.

In 2018–19, the last year of data collection under the DS NMDS, a number of jurisdictions did not report these data due to their transition to the NDIS (Australian Capital Territory transitioned in 2016–17 and New South Wales in 2017–18; South Australia did not collect 2018–19 data as most clients had transitioned to the NDIS) (AIHW 2020a).

In May 2020, the AIHW released the *Disability support services: services provided under the National Disability Agreement 2018–19* bulletin, reporting on the final year of data collection for the DS NMDS (AIHW 2020a). In this bulletin, only Australian Government NDA employment services data were reported for the Australian Capital Territory, New South Wales and South Australia.

In January 2021, the Productivity Commission's Report on government services (RoGS) also reported DS NMDS data for the last time as part of the NDA's annual requirement for performance reporting (SCRGSP 2021) (see the section 'Disability Employment Services data' in this article).

There are comparability issues between DS NMDS data and the data subsequently collected under the NDIS. These data sources can still be used in tandem, however, to inform policy makers on changes that occurred in the use of disability support services over time, including during the transition period before completion of the staged roll-out of the NDIS. In *Australia's welfare 2021*, the snapshot 'Specialised supports for people with a disability' summarises the services used by people with disability who were receiving support under the NDA in the last year that data were collected under the DS NMDS (2018–19), alongside recently available NDIS data. More in depth analysis of this transition is feasible and could be explored using the National Disability Data Asset if it proceeds beyond the current pilot (see the section 'What is the National Disability Data Asset?' in this article).

National Disability Insurance Scheme data

The National Disability Insurance Agency (NDIA) is the sole administering authority of the NDIS and collects administrative data to deliver the Scheme. Section 118 of the *National Disability Insurance Scheme Act 2013* states that the NDIA has the following functions in relation to data collection:

- to manage, and to advise and report on, the financial sustainability of the NDIS
- to collect, analyse and exchange data about disabilities and the supports (including early intervention supports) for people with disability
- to undertake research relating to disabilities, the supports (including early intervention supports) for people with disability and the social contributors to disabilities (Australian Government 2013).

The collection and considered use of consistent data to inform policy development can help drive better outcomes for NDIS participants over their lifetimes. In particular, the NDIA notes that consistent data on a participant's age, functional capacity and other environmental factors are likely to influence outcomes in areas such as employment and social inclusion (NDIA 2020c).

Data released on a quarterly basis by the NDIA include:

- population demographics: numbers of NDIS participants
- plans, and support types: numbers of participant plans, access requests, 'access met' decisions and committed supports
- NDIS plan budgets: value of current participant plan budgets, historical participant plans and plan management approaches
- market supply: information on active providers and their market share
- goals and outcomes: participant plan goals in progress and key outcome indicators (for example, daily living; choice and control; lifelong learning; relationships; social, community and civic participation; and health and wellbeing)
- NDIA performance: operational performance of the NDIA (processing volumes, wait times and backlogs) (NDIA 2020b).

Disability Employment Services data

The Australian Government's Disability Employment Services (DES) program supports people with disability to prepare for, find and keep a job. Support is available for employers to implement practices that support their employees with disability. DES services were not rolled into the NDIS (unlike the Australian Government's supported employment services). DES are demand driven, meaning that places are not capped, and anyone who meets the eligibility criteria can access them.

The DES program has 2 parts:

- Disability Management Services (DMS) support job seekers with disability, injury or health condition who need assistance to find a job and occasional support in the workplace to keep a job.
- Employment Support Services (ESS) assist job seekers with permanent disability who need regular, ongoing support in the workplace to keep a job (DSS 2019a).

The Department of Social Services releases monthly DES data on its website which include information on DES caseloads, age distribution, status (for example, commenced, suspended), primary disability, and outcomes-related data (for example, job placements, period of time employed) (DSS 2021b). DES data are also reported in the annual RoGS and other national reports.

The number of people accessing the DES program (including both ESS and DMS) rose steadily from 182,000 to 313,000 between May 2016 and May 2021 (see 'Specialised supports for people with disability' at www.aihw.gov.au/reports/australias-welfare/supporting-people-with-disability for more information) (DSS 2021b).

Mainstream services administrative data

A range of mainstream systems provide services to people with disability. Administrative data from these systems can be used to report data on people with disability by using a 'flag' (or a set of questions) to identify a person with disability and the extent of their limitation or restriction.

The use of flags in mainstream collections can reduce the need to develop new disability specific data collections. In 2013, the AIHW developed a Standardised Disability Flag for potential use in mainstream service data collections that would be comparable over time and across collections. This flag is based on a standard set of questions that assess a person's level of functioning and need for support in everyday activities. The questions are based on the International Classification of Functioning and Disability and are broadly consistent with the Short Disability Module (SDM) questions that the Australian Bureau of Statistics (ABS) uses in a number of its surveys.

Versions of this flag have been implemented in 2 national collections: the Specialist Homelessness Services Collection and the National Prisoner Health Data Collection. On 1 July 2019, an NDIS indicator was also included in the Specialist Homelessness Services Collection (AIHW 2020f).

Other mainstream collections identify particular groups of people with disability through their assessments of eligibility to receive payments or support. For example, Centrelink data can be used to identify a specific group of people with disability through reference to Disability Support Pension payments and other disability-related payments received by people assessed as eligible. Similarly, state/territory education collections identify groups of children eligible to receive school-based support, with some of the information captured in the Nationally Consistent Collection of Data on School Students with Disability (which details information on the number of students with disability in schools and the adjustments they receive) (Education Services Australia 2020).

Survey data

Population surveys are the best available data source for estimates of the prevalence and level of disability in the Australian population (including changes over time) and for capturing information about people's experiences across different life areas. Survey data capture information from a broader population of people with disability than is possible with administrative data, as not all people with disability use specialist disability services.

Survey of Disability, Ageing and Carers

The ABS Survey of Disability, Ageing and Carers (SDAC) is the largest, most detailed and comprehensive source of disability prevalence data in Australia. Disability prevalence is the number or proportion of the population living with disability at a given time. The SDAC defines that a person has disability if they have at least 1 limitation, restriction or impairment that has lasted, or is likely to last, for at least 6 months and restricts everyday activities. The SDAC also measures the severity of limitations experienced by people with disability. The severity of disability is defined by whether a person needs help, has difficulty, or uses aids or equipment with 3 core activities – self-care, mobility, and communication – and is grouped into mild, moderate, severe and profound limitation.

The SDAC collects detailed information from people with disability; older people (those aged 65 and over); and carers of people with disability or a long-term health condition, or of older people. The 2018 SDAC was the ninth SDAC or equivalent survey to be run since 1981. In 2018, around 66,000 people responded to the SDAC in urban and rural areas in all states and territories. These people lived in private dwellings and self-care retirement villages or in health establishments (providing long-term care for at least 3 months). Information collected from respondents and reported by the ABS includes:

- the severity of disability
- the characteristics of people with disability
- their need for assistance
- primary carer information
- employment circumstances
- living arrangements
- overall prevalence of disability.

Disability identification and severity are established by asking more than 120 questions; progressing through a number of steps to identify, first, if a person has disability; and, second, the severity of that disability (ABS 2019b).

For detailed 2018 SDAC statistics about how many people are affected by disability and their characteristics, see 'Specialised supports for people with disability' at <https://www.aihw.gov.au/reports/australias-welfare/supporting-people-with-disability>.

Other survey data

A range of social surveys run by the ABS use the Short Disability Module (SDM) with its 16 questions to identify people with disability. Surveys using the SDM include the General Social Survey, the Personal Safety Survey, the National Health Survey, the Survey of Income and Housing, and the National Aboriginal and Torres Strait Islander Social Survey (which also uses a moderated version of the SDM). While the SDM is not as effective as the full suite of SDAC questions in identifying disability (comparatively overestimating the number of people with less severe forms of disability), it does provide useful information on the characteristics of people with disability as identified in each of these surveys. It also enables the characteristics of people with disability to be compared with those of their peers without disability.

The Australian Census of Population and Housing (the Census) also includes questions about the 'need for assistance with core activities' – aiming to identify people with more severe forms of disability who require personal support. These data provide information on people who need help with core activities across smaller geographic areas, and for small population groups (including those not included in the SDAC, like people living in *Very remote* areas) (ABS 2018).

What key policy developments and reviews continue to influence the disability information base?

International obligations and national policies have shaped the delivery of services for people with disability in Australia. Available data and statistics support Australia's reporting under these obligations, while also informing the ongoing review, evaluation and development of national policies over time. Further detail on the historical developments in disability services and statistics is included in Chapter 6 of *Australia's welfare 2019* at www.aihw.gov.au/reports/australias-welfare/australias-welfare-2019-data-insights/contents/summary.

A number of key government reviews are underway with the potential to reshape the provision of services – with important implications for disability data. Common themes running through recent policy changes and review recommendations include the:

- importance of accurate, reliable, timely and nationally consistent data for people with disability, and for all service sectors (specialised disability and mainstream)
- ongoing readiness of the service market and workforce to adapt to evolving requirements of the disability support sector, including inadequate service delivery in some markets where there are gaps in service delivery
- acknowledgement that specialist disability support services, such as those delivered through the NDIS, are only one part of a broader and interacting system of supports accessed by people with disability, including support by family and carers and mainstream systems
- recognition that improving the wellbeing of people with disability and their carers requires collaboration across multiple sectors and stakeholders, with responses that meet the needs of all people with disability, including (but not limited to) those accessing the NDIS
- importance of collaboration between all levels of government to resolve mainstream interface issues

- accessibility of disability-inclusive and appropriate mainstream services
- importance of quality and safety of services, and the availability of safeguards, in both specialist and mainstream service settings
- need for further training of the many varied workforces supporting people with disability across different services (for example, further workforce training in the education sector)
- need for a greater focus on the accountability of policies and programs to improve outcomes for people with disability
- need to strengthen performance frameworks and reporting to more meaningfully measure progress in key wellbeing areas (relating to issues important for both people with disability and policy makers), to identify the limitations of current data in supporting such frameworks, and to ensure reporting is accessible.

United Nations convention

The purpose of the United Nations Convention on the Rights of Persons with Disabilities (UN Convention) is to 'promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all people with disabilities, and to promote respect for their inherent dignity' (United Nations 2008a). Australia ratified this Convention in 2008.

Article 31 of the UN Convention requires governments to collect data to enable them to formulate and implement policies related to the UN Convention and to measure progress over time. Article 31 also stipulates that governments need to disaggregate data as appropriate, and use the information to identify and remove barriers faced by people with disability (while also disseminating these statistics and ensuring they are accessible to people with disability) (United Nations 2008b).

Australia's Attorney-General's Department is responsible for reporting under the UN Convention, and it submitted a combined second and third report to the Committee on the Rights of Persons with Disabilities on 7 September 2018 (Attorney-General's Department 2018).

The NDS 2010–2020 is the main mechanism for implementing the UN Convention in Australia (DSS 2011). Arrangements developed by Australian governments to deliver services to people with disability – such as the NDA and the NDIS – also reflect the principles of the UN Convention. Data collected under these arrangements (and others) support reporting to the UN's Committee on the Rights of Persons with Disabilities on implementing the Convention in Australia (United Nations 2021).

National Disability Insurance Scheme roll-out

In July 2013, the NDIS commenced at trial sites in some Australian states and territories. On 1 July 2020, Christmas Island and Cocos Island joined the Scheme, thus almost completing the NDIA's staged roll-out of the NDIS (it is now available nationally, although some population sub-groups are still transitioning in Western Australia and will be until 2022) (NDIA 2020a). Australian and state and territory governments jointly fund and govern the NDIS. While the provision of services under the NDIS is thought to have largely replaced what was delivered under the NDA (except for employment services), no comprehensive assessment of any service gaps between these 2 schemes has been published.

The NDIS is a fundamental change in the provision of disability support to Australians with significant disability. It provides reasonable and necessary supports to eligible Australians under the age of 65, who have permanent (or likely to be permanent) and significant disability (intellectual, physical, sensory, cognitive or psychosocial). Entry to the NDIS is restricted to participants aged under 65 but there are active participants in the NDIS aged 65 and over. Early intervention support is also provided under the NDIS to eligible children and adults. Participant choice and control are core features of the Scheme's design.

A key aim of the NDIS is to:

... assist people with disability to live 'an ordinary life'. That is to fully realise their potential, to participate in and contribute to society, and to have a say in their own future – just as other members of Australian society do. The Scheme also involves families and carers, respecting their role whilst supporting them to achieve their goals by providing certainty of support for people with disability (NDIA 2018).

Access to disability supports and services under the NDIS is based on an insurance model, with each individual who seeks access being assessed against common criteria. Eligible individuals receive a funding package to buy the supports identified in their individualised plan. As at 30 June 2021, around 467,000 people were active NDIS participants (NDIA 2021c). The NDIA has projected that the NDIS will provide services to about 532,000 Australians (508,000 aged under 65) by June 2023 (NDIA 2020a).

The NDIA collects a comprehensive range of nationally consistent data on the characteristics, service usage and support needs of people with disability who are NDIS participants as well as on the characteristics of those services that support them (NDIA 2021a) (see the 'Current sources of disability-related data' section in this article). These data support the NDIA in making decisions that will improve the Scheme and outcomes for participants, as well as improving the NDIA's understanding of participants and markets. The NDIA's quarterly reports to Disability Reform Ministers (formerly the Disability Reform Council) contain the most up-to-date NDIS data. This is supplemented by data downloads on the NDIS website in a range of formats (NDIA 2021b).

National Disability Agreement review

The NDA has governed the provision of disability support services in Australia since 1991. Under this Agreement, Australian, state and territory governments funded a range of specialist disability services that aimed to ensure that 'people and their carers have an enhanced quality of life and participate as valued members of the community' (COAG 2011). Each year, the Productivity Commission's Steering Committee for the Review of Government Service Provision releases a report on the performance of Australian governments in delivering government services, including disability services. The Steering Committee's annual RoGS reports on available data relating to the equity, effectiveness and efficiency of service provision, along with outcomes for the disability sector (SCRGSP 2021).

In 2018, the Productivity Commission reviewed the NDA, releasing a study report in early 2019 that noted the Agreement no longer served its purpose. The Commission highlighted that:

Improving the wellbeing of people with disability and carers across the nation requires a collaborative response from all levels of government, extending well beyond the NDIS to many other service systems, such as housing, transport, health, justice, and education (Productivity Commission 2019:2).

This study report also noted that any future data collection strategy for the NDA should include:

- data on the use of, and experiences with, mainstream services
- references to NDIA data and data sharing arrangements
- a data linkage framework (Productivity Commission 2019).

From July 2019, only the Australian Government's employment services (that is, DES) are provided under the auspices of the NDA.

National Disability Strategy renewal

The NDS 2010–2020 provides a 10-year national plan for improving the lives of Australians with disability, their families and carers (DSS 2011). The NDS relates to all people with disability, irrespective of their need or use of specialist disability services. In particular, its intent is to:

- drive improvements in access to mainstream services
- promote a more inclusive approach to the design of policies and programs
- ensure that all people with disability can participate and fulfil their potential as equal citizens.

In December 2020, Disability Reform Ministers from across Australia committed to continue efforts under the NDS to uphold the rights of people with disability between the expiry of the current strategy and the finalisation of a new NDS in 2021 (DSS 2020c).

Australian, state and territory, and local governments across Australia have worked together – in consultation with people with disability and their families, carers, advocacy organisations, peak bodies and service providers – to develop the new NDS. Findings from previous reviews – for example, the Senate Inquiry report into the delivery of outcomes under the NDS 2010–2020 (SCARC 2017) and the public consultation undertaken in 2019 – identified areas of the current NDS that have worked well and should be retained, including the current vision and 6 outcome areas. Areas for improvement were also identified, including the need for a greater focus on accountability of policies and programs to improve outcomes for people with disability (DSS 2020a).

In July 2020, a Position paper prepared jointly by the Department of Social Services and state/territory and local governments sought feedback on the proposed architecture of the new NDS. The paper proposed that the new NDS continue to be the main mechanism for meeting Australia's obligations under the UN Convention. It also recommended that the current NDS vision and 6 outcome areas be retained (DSS 2020b). As well, it noted that data collection and improvement activities under the new NDS would enable more effective monitoring and reporting, and would drive change (see the Outcomes frameworks for the NDS and NDIS section of this article).

The new NDS will be released following agreement from all levels of government.

Another key element of the new NDS will be a National Disability Employment Strategy, which the Department of Social Services is developing. This strategy aims to increase employment opportunities for people with disability by focusing on 5 priority areas:

- lifting employer engagement, capability and demand
- early intervention in transition from school to work and return to work
- driving better performance and quality from employment service providers
- making the system simpler for jobseekers with disability and employers
- changing community attitudes (DSS 2021a).

Outcomes frameworks for the NDS and the NDIS

Since 2016, the NDIS Outcomes Framework has routinely collected information on the outcomes for participants and their families and carers in different areas of their lives, thus enabling the NDIA to report on the Scheme's progress against its key aims (NDIA 2015).

Ongoing and regular measurement of the impact of the NDS and NDIS is key to ensuring improved outcomes for all Australians with disability. Currently, the NDS 2010–2020 identifies key policy areas for action under the National Disability Employment Strategy, along with a requirement for reporting and monitoring of high-level national progress against the strategy.

The Australian and state and territory governments are working together to develop a detailed NDS Outcomes Framework that will monitor outcomes achieved for all people with disability (including NDIS participants). These governments have agreed to use consistent domains and measures in both the NDS and NDIS outcomes frameworks, to more effectively track improvements over time in the lives of all people with disability (DSS 2021c). This also enables the use of NDIS data within the NDS Outcomes Framework – thus allowing the outcomes for all people with disability to be compared with the outcomes for NDIS participants.

The frameworks will aim to cover a broad range of life activities by including key sectors such as health, education and transport. This broad approach to ongoing performance monitoring is based on:

- an agreed vision for both outcomes frameworks
- shared domains – the areas in the lives of people with disability that the new NDS and NDIS seek to improve are consistent with the outcome areas of the current NDS:
 - inclusive and accessible communities
 - economic security
 - personal and community support
 - health and wellbeing
 - rights protection, justice and legislation
 - learning and skills
- national outcomes, indicators and measures – used to monitor the effectiveness of the revised NDS, and the NDIS through clear mechanisms for accountability and reporting (DSS 2021c).

Reporting and benchmarking against the new outcomes frameworks for both the NDS and the NDIS are expected to be supported by the NDDA. The NDDA is intended to be an integrated and shared data source to enable Australian governments to better understand how all people with disability are supported through services, payments and programs across multiple service systems. It is being piloted in 2020 and 2021. It aims to enable improved benchmarking and reporting against the new outcomes frameworks for both the NDS and NDIS by linking a range of data sources across specialist and mainstream service systems (see the section 'What is the National Disability Data Asset?' in this article). Key to assessing success will be the ability to measure progress over time for all people with disability, including but not limited to those accessing the NDIS.

NDIS Quality and Safeguards Commission

To support the roll-out of the NDIS, the NDIS Quality and Safeguards Commission was established in 2018 as an independent regulatory authority to monitor and enhance the quality and safety of NDIS provider supports and services. The Commission achieved full national coverage in December 2020.

The Commission replaced the different state and territory regulatory arrangements and established a single national regulator responsible for provider registration, complaints and reportable incidents (including abuse and neglect of NDIS participants). The Commission also monitors compliance with the NDIS Code of Conduct and NDIS Practice Standards, and the use of restrictive practices (NDIS Commission 2021b).

From 1 July 2020 to 31 December 2020, the Commission received around 3,700 complaints (excluding from Western Australia where it began operating only on 1 December 2020). The majority of complaints received between 1 July 2020 and 1 December 2020 were from 'Others, including guardians and advocates' (27%), or a 'Person with disability' (26%). The majority of complaints during this period related to 'Provider practice' (46%) (NDIS Commission 2021a).

The NDIS Commission is building an evidence base to perform its various functions. This includes gathering new data to support its efforts in reducing identified risks of death or serious injury for people with disability. This work is part of the Commission's function to monitor and report on deaths of people with disability who received NDIS-funded services. In recent years, it has worked with the University of New South Wales and the AIHW to analyse rates of death among people with disability and the causes of those deaths (see AIHW 2020b; NDIS Commission 2020).

Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability

In April 2019, the Prime Minister, the Hon. Scott Morrison MP announced the establishment of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability RC) in response to community concerns. The Disability RC covers all forms of violence against – and abuse, neglect and exploitation of – people with disability, in all settings and contexts (Morrison, the Hon. S 2019).

The Disability RC released its Interim Report in October 2020. A key theme is the lack of useful, and nationally consistent, data on the extent of violence against – or abuse, neglect and exploitation of – people with disability, especially for groups of people with disability who may be more vulnerable. These groups include children and young people; people with communication disability; Aboriginal and Torres Strait Islander people; culturally and linguistically diverse people; people experiencing homelessness; and lesbian, gay, bisexual, transgender, intersex, queer and questioning people.

The Interim Report also notes:

There is no public data on the extent of violence, abuse, neglect or exploitation experienced by people with disability in particular settings, such as schools, residential out-of-home care, the youth and criminal justice systems, specialist disability accommodation or segregated work environments (Disability RC 2020a:295).

Other areas identified as lacking data include:

- the forms of violence specific to people with disability, such as bullying and discrimination, withholding access to medical treatments or medication, and exploiting or denying a person's control over or ownership of their body
- the nature of this violence and abuse – whether the incidents occur as part of a pattern, as in domestic and family violence, or are one-off events (Disability RC 2020a).

Given this, a key area of further inquiry for the Disability RC is how to deal with gaps in existing data collection models. In particular, it will be:

- examining the adequacy of the NDIS Quality and Safeguards Commission's data collection, monitoring and reporting systems for upholding the rights and promoting the health, safety and wellbeing of people with disability
- obtaining information about the barriers to widespread implementation of standard questions to identify people with disability in government and organisation databases
- obtaining information about how the NDDA can be used to effectively monitor violence against – and abuse, neglect and exploitation of – people with disability
- inquiring into the plans of governments, service providers and others for publishing data in a way that shows results separately for people with and without disability and, where possible, separately for Indigenous people with disability and non-Indigenous people with disability
- exploring how to collect data on experiences of violence, abuse, neglect and exploitation from groups of people who are currently not included in existing surveys
- obtaining information about why previous recommendations to improve data collection have not been implemented to better understand the barriers to implementation (Disability RC 2020a).

Data gaps highlighted by the COVID-19 pandemic

Existing data gaps on the daily life experiences of people with disability have been well documented (AIHW 2020e). Some of these gaps, such as the inability to identify people with disability outside specific settings, have been highlighted during the COVID-19 pandemic.

In March 2020, the Disability RC called on 'all Australian governments to ensure that responses to COVID-19 include dedicated strategies and take all necessary measures to protect and support people with disability' (Disability RC 2020a). The Disability RC's 'Statement of Concern' highlighted Australia's obligations under the UN Convention, noting that:

... people with disability have the right to health without discrimination on the basis of disability, including access to population-based public health programmes (Article 25) and that governments also have a duty to take all necessary measures to ensure the protection and safety of persons with disabilities in situations of risk (Article 11) (Disability RC 2020b).

The Disability RC asserted in its 'Statement of Concern' that people with disability – especially Indigenous Australians with disability – may be disproportionately affected by the COVID-19 pandemic due to their increased risk of infection and higher number of comorbidities, along with any underlying health conditions such as chronic diseases and respiratory illness. People with disability are also disproportionately affected by the social restrictions imposed during the pandemic, and by breaks in the continuity of essential services.

The availability of detailed and timely information and statistics during the COVID-19 pandemic has been critical in guiding the responses of governments and service providers to the challenges presented by the pandemic. These circumstances have further highlighted the absence of this critical information for key risk groups, such as those people with disability.

Data gaps

Detailed reporting on the impact of the COVID-19 pandemic for people with disability has been (and continues to be) complex given the:

- fact that existing data sources for service use by people with disability are fragmented, dispersed and incomplete (specialist and mainstream)
- inconsistent definitions for disability across existing data sources
- low adoption of a disability 'flag' to identify people with disability across mainstream data sources, including for key communicable disease surveillance data
- inability to reliably report on specific population groups within the broader disability population (such as Indigenous Australians with disability, or children and young people with disability)
- relatively short time that the pandemic has been in place from a data generation perspective.

The need for high-quality, detailed data about the impact of COVID-19 will continue to be important for the foreseeable future, in order to understand the impact of the virus itself, the direct and indirect effects of isolation requirements, and the long-term economic and social impacts of shutdowns. A combination of new data collection and data linkage may assist in filling these gaps in the future.

Examples of COVID-19 pandemic information

Much of the available data specifically relating to people with disability that has been released since the start of the pandemic continue to be relevant to the provision of support for people with disability. Of particular relevance is the data highlighting the disproportionate impact of the virus on these people.

Impact on day-to-day life for people with disability

Many people with disability are at risk during the COVID-19 pandemic because of the barriers that exist to their inclusion in society and their need for ongoing support (PwDA 2020). Various studies have highlighted the day-to-day issues that affect the lives of people with disability (Box 7.1); key issues of concern identified in these studies include:

- inability to maintain social distancing: some people with disability are unable to maintain social distancing practices due to their reliance on support workers for daily personal care, including eating, drinking, toileting and dressing (Disability RC 2020b)

- disruptions to regular support services: in June 2020, around 29% of people with disability who are regular disability support service users (that is, 6% of survey participants) reported experiencing a disruption to their regular service since 1 March 2020 (for example, cancellation of services, changes in how services were delivered, and changes in the frequency of services) (ABS 2020b)
- increased likelihood of staying at home: in November 2020, people with disability (53%) were more likely than people with no disability (42%) to stay at home due to COVID-19 (ABS 2020c)
- increased expenses as a result of the pandemic: in May 2020, around 91% of people surveyed reported increased expenses. Of these, 58% had increased expenses for groceries and food, 31% for health care, 26% for the internet and telephone and 20% for hygiene/sanitising equipment (PwDA 2020).

Box 7.1: Data relating to the impact of COVID-19 on people with disability

Since August 2020, the ABS has collected information on how people are faring in response to the COVID-19 pandemic, including vulnerable people. Its Household Impacts of COVID-19 Survey began in August 2020. This telephone survey interviews around 1,500 people (aged 18 and over) per cycle in private dwellings. Each cycle (or reference period) collects information on different topics and produces weighted national estimates. The ABS notes that some proportions reported in these surveys had a margin of error of greater than 10 percentage points (reported using 'around' in this article).

The impact of the pandemic on vulnerable people or people with disability has been a topic referenced in some cycles. The ABS defines a vulnerable person 'as a person aged 65 years or over, or a person aged under 65 years with a disability or long-term health condition' (ABS 2020a). Whether a person has a disability was derived from a subset of questions from the ABS Short Disability Module.

The PwDA ran a 2-month survey during the pandemic in May 2020 (Experiences of People with Disability during COVID-19). Around 200 people responded: 88% were people with disability, and 12% were carers or family. The response rate for the survey is unknown. The majority of people were from New South Wales (29%), Western Australia (25%) and Victoria (19%). Forty-four per cent of the respondents were in the 41–50 age group (next highest age group 51–60; 19%) (PwDA 2020).

The University of Melbourne conducted an online survey of 357 disability support workers between May and June 2020 (the response rate for the survey is unknown). Respondents' ages ranged from 18–75; 83% were women and 31% were aged over 50 (Kavanagh et al. 2020).

Impact on care provided to people with disability

Many people with disability rely on unpaid and paid care on a daily basis. The COVID-19 pandemic has had an impact on this essential support. For example, the requirement for additional unpaid care to vulnerable people because of COVID-19 has increased: around 23% of adults are providing more unpaid care to a vulnerable person living in their household because of COVID-19, and 13% to a vulnerable person living outside their household. The most common activity in both cases was shopping (ABS 2020a) (see Box 7.1 for a definition of a vulnerable person).

As well, the provision of unpaid care has often been difficult. In November 2020, of those people providing unpaid care to a vulnerable person (around 16%), 25% have had difficulty providing care or assistance due to COVID-19 since 1 March 2020 (see Box 7.1 and ABS 2020c).

Importantly, disability support workers often cannot physically distance. In May and June 2020, 90% were not able to physically distance at work and 53% provided support that requires close personal contact (for example, feeding and brushing teeth). Further, disability support workers interact with an average of 6 people with disability a week in their job (Kavanagh et al. 2020).

Disability support workers have also had to cancel shifts, with 27% cancelling shifts in May and June 2020 due to concerns about COVID-19 infection, while 35% had shifts cancelled by clients or employers due to the same concerns (Kavanagh et al. 2020).

The NDIS Commission continues to support NDIS participants and providers in response to the COVID-19 pandemic. Up until 31 December 2020, it had:

- received 932 contacts from NDIS participants specifically related to COVID-19 (the Commission's contact centre is the first point of contact for NDIS participants)
- managed 188 participant complaints about how NDIS providers and workers supported participants when COVID-19 restrictions were in place
- received 1,032 provider notifications of changes to support that are related to COVID-19. The main supports and services affected were community participation, therapeutic supports and group- and centre-based activities (NDIS Commission 2021a).

The NDIA has collaborated with other governments (including the Department of Social Services, the NDIS Commission, Services Australia, and state and territory governments) to support NDIS participants during the pandemic. In December 2020, the rate of infection among participants was 2.5 times lower than among the general population. As at 31 December 2020:

- there were no known active COVID-19 cases among participants and workers
- the NDIS Commission had been notified of 183 participants and 219 workers who had returned positive tests for COVID-19
- sadly, 9 participants and 1 worker had died (NDIS Commission 2021a).

Future directions for disability data

In response to the emerging policy priorities and identified data gaps described in this article, Australian governments are undertaking a range of ongoing enhancements of the evidence base for disability policy in Australia. This includes the development of nationally agreed measures and reporting arrangements for the new NDS and NDIS outcomes frameworks (DSS 2021c) and the establishment of the National Disability Research Partnership in 2020 as a disability research and policy hub (NDRP 2021).

These initiatives will be underpinned by both existing data – such as survey data about lived experience of disability, and administrative data about service use – and new linked data, to better understand service pathways and outcomes. As well, the pilot phase of a major data linkage initiative, the NDDA (see the section ‘What is the National Disability Data Asset?’ in this article), has been funded to enhance information about people with disability.

Data linkage combines information about all aspects of the lives of people with disability from multiple data sources, while preserving privacy. Greater use of data linkage has the potential to dramatically enhance the range of data available to inform these emerging policy issues and help to fill existing data gaps. Data linkage studies enable the:

- identification of people with disability in mainstream collections that do not include a disability status ‘flag’
- study of pathways taken by people with disability through and between specialist and mainstream service systems
- study of outcomes achieved for people with disability using various support and service types (including the study of disadvantages or inequalities experienced by people with disability in relation to their non-disabled peers).

Recent linkage studies using DS NMDS and mortality data have already provided valuable insights into the causes of death for people using disability services (AIHW 2020b) and have highlighted the potential for such approaches.

The advantages of data linkage can be leveraged by including data from many different service systems within a linked data asset, which allows these analyses to include contributions from all services and supports relevant to the outcomes of interest. Such integrated data assets have been used successfully internationally to provide in-depth analysis of people with disability. A New Zealand example of the use of linked data in relation to children and young people with disability is profiled in Box 7.2.

Box 7.2: New Zealand Integrated Data Infrastructure

The New Zealand Integrated Data Infrastructure (IDI) is a large research database that holds de-identified person-centred microdata on people and households from New Zealand. The IDI sources its data from a range of government agencies, Stats NZ surveys, and non-government organisations. They include information about life events such as:

- health: wide range of datasets like cancer registrations and chronic conditions
- education and training: early childhood through to industry training
- benefits and social services: such as benefits, youth services, student loans
- justice: corrections and police records information, for example
- people and communities: the Auckland City mission to name one, and survey data (for example, disability survey and general social survey)
- population: border movements, for example, and personal details (for example, births, deaths)
- income and work: tax and income, and household labour force, for example
- housing: tenancy and social housing information, for example.

Researchers use the IDI to gain insight into New Zealand's society and economy, often answering questions about complex issues affecting New Zealanders (Stats NZ 2020). For example, New Zealand's Ministry for Children, Oranga Tamariki (Oranga Tamariki 2020), reported on children (aged 0–17) and young people (aged 18–25) in out-of-home care or who had been involved with Oranga Tamariki, who were living with impairments as identified by administrative data in Stats NZ's IDI.

continued

Box 7.2 (continued): New Zealand Integrated Data Infrastructure

The report profiled these children and young people and explored the differences in wellbeing and service contact indicators for those with and without disability. It found that, in the 0–17 age cohort, 1 in 10 children with current or previous Oranga Tamariki involvement had at least 1 indicator of disability (such as receipt of Child Disability Allowance, Ongoing Resourcing Scheme and Disability Support Services). Of those children aged 0–17 who had been involved with Oranga Tamariki, some were even more likely to have at least 1 indicator of disability, including:

- those with higher levels of Oranga Tamariki involvement
- those in older age groups
- males
- those with non-Maori and non-Pacific backgrounds (New Zealand European, Asian and other ethnicities).

What is the National Disability Data Asset?

In September 2019, the former Council of Australian Governments Australian Data and Digital Council agreed to develop an enduring NDDA, subject to sustainable funding (Robert, the Hon. S 2019). The former Disability Reform Council (now Disability Reform Ministers) also endorsed this decision (DSS 2019b).

It is intended that the NDDA will bring together de-identified Australian Government welfare and services data, NDIS data, and service system data from the states and territories. The integrated and shared data should enable a better understanding of how people with disability are supported through services, payments and programs across multiple service systems. The data would also identify gaps and overlaps in service delivery.

If implemented, the NDDA will assist governments and researchers to understand both successful and unsuccessful pathways for achieving outcomes for people with disability. It will also include digital platforms that allow the general population, including people with disability, their families and carers, to explore the data in ways relevant to their circumstances.

The NDDA has the potential to achieve a range of long-term benefits for people with disability, disability organisations, researchers and governments. These benefits include improved:

- understanding of how different supports and services contribute to outcomes for people with disability
- understanding of how to better reach and serve vulnerable groups and groups in the community who are less often reached
- access to better, more complete data from system-wide and person-centred perspectives
- evidence about the supports and services that work, enabling disability organisations to deliver supports and services designed for the needs and situation of people with disability (NDDA 2021b).

The NDDA will be important for the successful delivery and monitoring of the NDS Outcomes Framework. It will contribute to providing a better understanding of how people with disability are supported through services, payments and programs across multiple service systems through the linkage, improvement and sharing of de-identified data.

The NDDA will also enable a shared understanding of outcomes for people with disability arising from disability policy changes, including the NDIS, and will support evaluations and policy development to inform the improvement of mainstream services and supports.

The NDDA is currently in an 18-month pilot phase that started in April 2020 (NDDA 2021a). The pilot phase includes data from the Australian Government; the NDIA; and the New South Wales, Victorian, Queensland and South Australian governments. The Australian Government agreed to provide up to \$15 million to cover the costs of the pilot phase. The pilot aims to develop governance, technical and reporting models for the enduring NDDA, and to demonstrate the NDDA's value by providing insights against 5 high-priority research projects (test cases). See Table 7.1 for an overview of these 5 test cases.

The pilot test cases focus on the following themes:

- early childhood supports
- interaction of people with disability with the justice system
- pathways from education to employment
- services and supports for people with disability and mental health issues
- outcomes measurement (focusing on housing-related supports).

Table 7.1: Overview of 5 NDDA test cases

Test case	Lead jurisdiction	Research focus	Links data from
Early childhood	NSW	What are the early childhood supports accessed by young people with disability and how do these support pathways involve mainstream education and health systems?	NSW perinatal, education, child protection and hospital datasets.
Education to employment	SA	What are the pathways into employment for young adults with disabilities, through school education, senior secondary education, vocational education and training participation?	SA secondary and tertiary/VET education sector and Commonwealth income tax data.
Mental health	Victoria	What are the needs of people with disability and mental health problems, and are these needs being met to help improve outcomes?	Victorian community and hospital-based mental health service and emergency department data.
Justice	DSS & NSW	What is the interaction of people with disability with the justice system, including as victims or offenders and what services are provided?	Juvenile justice, corrections, child protection and public housing data for NSW.
Outcomes	DSS	Identification of people with disability in linked administrative data for service use and outcomes reporting.	Public housing and homelessness service data for NSW, Victoria, Queensland and SA.

DSS = Department of Social Services

It is expected that the test cases will demonstrate the potential of the linked data to inform and drive disability policy and help to shape the design and implementation of an enduring NDDA that is able to support policy and research initiatives aimed at improving outcomes for people with disability.

The NDDA is engaging the disability community throughout the pilot to understand the needs and aspirations of people living with disability. This is done through the Disability Advisory Council, which gives regular feedback on how the NDDA should be designed. It is also done through a series of discussions with individuals with disability, with family members and carers, and with organisations who advocate for people with disability, and organisations that provide services.

As Commonwealth Accredited Integrating Authorities involved in the pilot, the AIHW and the ABS meet stringent criteria covering data governance and data management, and abide by the principles for data integration involving Australian Government data for statistical and research purposes and the best practice guidelines. These include protocols to ensure secure end-to-end data management, processes to manage re-identification risks, stringent information and communications technology security and robust governance (AIHW 2019b).

Future developments

This article has set out some of the key data sources about people with disability in Australia, together with some of the key features influencing their continued improvement. While the AIHW has not undertaken a detailed comparative analysis of how data are improving over time, it looks forward to continuing to update readers in this area over future years.

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8

People's journey through aged care – the story in the data

8. People's journey through aged care – the story in the data

Australia's aged care system is intended to support people's health, wellbeing and quality of life into their older age. The sector offers various levels of care for people with a range of needs. It is commonly accessed by people with multiple medical conditions and complex support requirements, who are often seeking care at a time of crisis.

The demands on the system are growing. The number of people at older ages – those most likely to use aged care – is increasing. The number of Australians aged 85 and over is projected to increase from 529,000 at 30 June 2021 (2.0% of the population) to more than 1.5 million by 2066 (3.6%) (ABS 2018).

Older Australians are a diverse group, with varied backgrounds and life experiences. They come from different cultural, religious and socioeconomic backgrounds, live in different geographical settings and have their own identities and preferences (for more information on older Australians, see <https://www.aihw.gov.au/reports-data/population-groups/older-people/overview>). People also have varying needs regarding their physical or mental health and aged care – and the older population is not a static group.

The changing demography and diversity of Australia's older population has implications for policy, planning, service delivery and funding beyond the increasing demand for aged care. The aged care system needs to reflect the diversity to ensure safe, accessible, inclusive and quality care is provided to meet people's needs (both current and emerging). Looking even further ahead, it will also need to reflect the changing diversity of Australia's older population (AIHW forthcoming 2021b). Characteristics, experiences and needs evolve over time as cohorts of people age and move through the lifecycle.

The aged care system currently faces considerable change as the Australian Government (the Government) responds to the recommendations of the Royal Commission into Aged Care Quality and Safety (Royal Commission). This comprehensive inquiry, undertaken between 2018 and 2021, unpacked the inadequacies in the design, legislation, governance, funding and quality regulation that make up our aged care system. The inquiry showed that, over the last 3 decades, the system has seen numerous reviews and reforms, increased regulation, as well as program and funding changes; yet, despite this, the Royal Commission reported that the current system is not able to ensure that all people have access to (and receive) high-quality, safe and dignified care (RCACQS 2019c, 2021b).

The need for high-quality data on older people's use of aged care was highlighted in the Royal Commission's final report and recommendations (RCACQS 2021c) and recognised in the Government's response (Box 8.1). The coronavirus 2019 (COVID-19) pandemic also highlighted the lack of timely data on the experiences of people living in residential aged care. A considerable proportion (75%) of Australia's COVID-19 deaths occurred in these settings (Department of Health 2021c), and people were affected by the ensuing lockdowns and visitor restrictions. However, it has not been possible to examine these impacts systematically with existing data (boxes 8.1 and 8.2).

This article provides an overview of the current data available on older people during their journey through Government-funded aged care. It presents examples to illustrate people's experience in aged care, and identifies data gaps, limitations and opportunities to improve our understanding of these experiences.

For more information on the aged care system, see 'Health of older people' at <https://www.aihw.gov.au/reports/australias-health/health-of-older-people> and the AIHW's dedicated aged care data website at www.gen-agedcaredata.gov.au.

Box 8.1: Aged care data-related recommendations from the Royal Commission into Aged Care Quality and Safety and the Government's response

The final report and recommendations of the Royal Commission reflect the important role that data play in enabling better aged care services for older people. The Royal Commission noted its concerns that reliable, accessible and comprehensive data on safety and quality are not available. While governments, aged care providers and health professionals do routinely collect data about clients and services, these data are fragmented and incomplete. There is limited integration and analysis of data to inform a person-centred view of pathways and outcomes across aged care, health and other systems – or to articulate how to improve aged care.

The Royal Commission's recommendations outline how aged care data should be expanded to inform on many important themes:

- quality and safety of aged care services
- equity of access and ensuring the aged care system caters to diverse populations
- access to health services, allied health and dental care for people using aged care
- younger people in residential aged care
- aged care workforce planning
- experiences of both people receiving aged care and their families.

continued

Box 8.1 (continued): Aged care data-related recommendations from the Royal Commission into Aged Care Quality and Safety and the Government's response

Beyond collecting more data, the data collected must be of high quality, reliable and useable. Developing common data standards and data systems that work together and appropriately share information can aid this. The Royal Commission recommended that efforts also need to be focused on minimising delays and ensuring timely access to data.

In May 2021, the Government committed \$17.7 billion in aged care funding and accepted many of the recommendations of the Royal Commission, including those related to data. The reform agenda, which commits action over the next 5 years, is intended to empower people with the information they need to exercise choice. Key data related measures include:

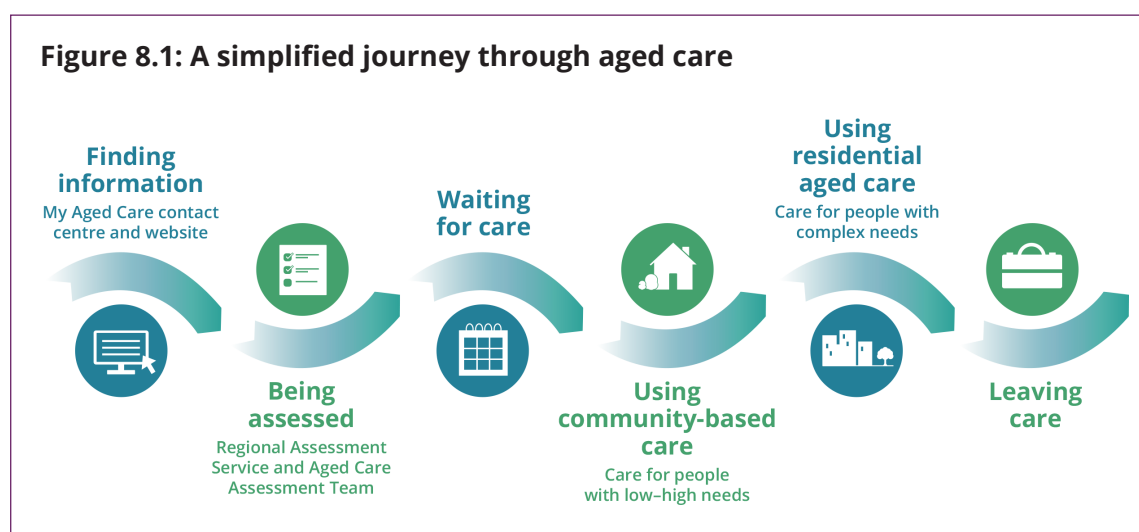
- establishing a National Aged Care Data Strategy
- developing an Aged Care National Minimum Data Set
- curating a National Aged Care Data Asset
- improving information on quality and safety of aged care by implementing a star rating system for residential aged care services and expanding the quality indicator program and serious incident reporting scheme
- reporting on progress towards having no younger people entering or living in residential aged care
- collecting better data on people from diverse backgrounds and building information on quality of life and/or consumer experience in aged care.

For more information on the Royal Commission, including its final report and full list of recommendations, see <https://www.agedcare.royalcommission.gov.au>.

For information on the Government's response, see <https://www.health.gov.au/resources/publications/australian-government-response-to-the-final-report-of-the-royal-commission-into-aged-care-quality-and-safety>.

The aged care journey – what we do and don't know

A person's journey through aged care is rarely straightforward. While Australia's aged care system can be thought of as providing a continuum of care, individual people may not progress through it in a linear fashion. For some, a higher level of care is required after a sudden event, such as the loss of a carer or a health crisis – this then forms their point of entry into the system. Some might begin receiving aged care at a lower level and access increasing levels of services as their needs change. Others might only ever require lower levels of community based care (for example, home care and home support). The common elements of what people may encounter at different stages of the current aged care journey are shown in Figure 8.1.



Finding information on aged care services

My Aged Care is both a contact centre and a website that serves as the starting point to access aged care services subsidised by the Government. It provides information on care types, eligibility and services in the local area, as well as directing people to needs based assessments.

Some data are available on people's interaction with My Aged Care. For example, in 2019–20 almost 1.5 million calls were responded to, and there were over 4.0 million visits to the website (Department of Health 2020a). What is not known is how many individual people accessed the My Aged Care platform or how many times.

The Royal Commission noted that people have low levels of awareness of the platform and experience difficulty in finding information most relevant to them; furthermore, the platform lacks information on quality of care and how services perform against the Aged Care Quality Standards. The platform may also not meet people's needs particularly when there are literacy, language or technology issues, or where people are experiencing a sudden health crisis or have cognitive impairment (RCACQS 2019a, 2019b).

Throughout the aged care journey, older people and their families may need to gather and evaluate information about their care options and likely costs. They may have to reconcile information and advice from various sources, including their health care providers. These can be complicated and confusing situations. The proposed star ratings to be published on My Aged Care are intended to provide performance information for people seeking residential aged care and will allow services and providers to be compared. These ratings may be extended to cover home care services in the future.

Being assessed before aged care use

Following an initial screening through My Aged Care, people are directed to either a home support assessment (conducted by the Regional Assessment Service) or a comprehensive assessment (conducted by an Aged Care Assessment Team).

These processes assess people's circumstances and care needs and, where relevant, approve them for aged care services; they also refer people to service providers.

Administrative data collated by the Department of Health provide information on the number of people assessed and their characteristics at the point of entry. Generally, people who have a comprehensive assessment are somewhat older and have more complex health issues than those assessed for home support (Table 8.1). For example, people who had at least 1 comprehensive assessment in 2019–20 were almost twice as likely to have a carer as those assessed for home support, potentially indicating a greater need for assistance.

Table 8.1 People with completed assessments^(a) in 2019–20 by assessment type (home support or comprehensive) and selected characteristics

Selected characteristics	Home support ^(b)		Comprehensive ^(c)	
	Number ('000)	Per cent %	Number ('000)	Per cent %
Aged 85+	51,497	20.5	72,241	39.2
Female	147,616	58.7	107,003	58.0
Non-English speaking background	51,106	20.3	42,746	23.2
Aboriginal and/or Torres Strait Islander	5,400	2.1	3,583	1.9
Had a carer	103,887	41.3	139,349	75.6
Were a carer	33,228	13.2	20,686	11.2
Trigger for assessment was a hospitalisation	46,459	18.5	65,096	35.3
Had experienced slips, trips or falls	92,087	36.6	115,976	62.9
Had experienced memory issues or confusion	11,590	4.6	60,143	32.6
Had dementia diagnosis	11,360	4.5	30,537	16.6
Had multiple chronic health conditions ^(d)	105,905	42.0	120,212	65.2
Had cancer	45,590	18.1	46,807	25.4
Had a nervous system disorder	30,535	12.1	41,260	22.4
Had arthritis or other musculoskeletal disorder	141,122	56.1	107,139	58.1
Had heart disease ^(e)	58,738	23.3	62,343	33.8
Needed help to eat	8,350	3.3	50,112	27.2
Needed help to walk	93,089	37.0	123,646	67.1
Needed help to get places	138,850	55.2	166,606	90.3
Needed help to dress	34,311	13.7	105,595	57.2
Needed help to bathe	65,354	25.9	125,316	67.9
Total	251,615	100.0	184,423	100.0

(a) These assessments data have been subject to minimal data cleaning or quality assurance and should be considered in conjunction with information about completeness and comparability with previous Aged Care Assessment Program data.

(b) Home support assessments are delivered by the Regional Assessment Service for people seeking entry-level home support.

(c) Comprehensive assessments are administered by an Aged Care Assessment Team to determine eligibility for Australian Government subsidised aged care services such as residential aged care (permanent and respite), a home care package and flexible care services.

(d) Comprises arthritis, chronic lower respiratory illness (e.g. emphysema, chronic obstructive pulmonary disease, asthma), back problems (e.g. scoliosis, sciatica), cancer, heart disease (see footnote (e)), kidney or urinary conditions (e.g. renal failure, cystitis), mental or behavioural conditions (e.g. dementia, depression/mood affective disorders, schizophrenia), osteoporosis and diabetes (e.g. type 1, type 2 and other).

(e) Comprises rheumatic fever, rheumatic heart disease, angina, myocardial infarction (heart attack), acute and chronic ischaemic heart disease, congestive heart failure and other heart diseases.

Note: Percentage calculations include 'not stated' in the denominator.

Source: AIHW analysis of National Screening and Assessment Form data.

Assessments data can assist in understanding what people may need from care and provide a basis for assessing the extent to which needs are later met; however, the link between this information and subsequent supports offered is not currently strong. For the individual, the assessment process can also seem complex and time consuming, and elements of it may be duplicated (RCACQS 2021b).

No information is currently available on how long people wait between identifying a need and receiving an assessment for services. There is also a lack of reporting about the financial means and asset test carried out by Services Australia; this test occurs in parallel with aged care assessments to determine how much people need to pay towards their aged care. Determining people's contributions to the cost of aged care services is a Royal Commission recommendation accepted by the Government (Department of Health 2021b).

Waiting to access aged care services

People who have been approved for aged care after a comprehensive assessment – and are ready to take it up – may find themselves on a waiting list either to obtain a home care package (whether at all, or at the level of care required) or to enter an aged care service.

From the available data, only the time between assessment and take-up of care can be reported and this can vary greatly between types and levels of care. For example, in 2019–20, half of the people who took up the highest level of home care (Level 4) had the package in place within 5 months of approval if they were assessed as being 'high' priority and within 31 months of assessment if assessed as 'medium' priority. Around 4 in 10 (42%) older people who entered permanent residential aged care in that year did so within 3 months of their assessment (SCRGSP 2021). Little is reported on those still waiting to take up care.

These data do not take into account why people waited or what happened while they waited. The person themselves may not have perceived it as a 'wait', particularly if their needs were being met in other ways at the time. For example, while waiting for the approved level of home care to become available, people may access home support services (Department of Health 2021d). On the other hand, being unable to access required services may have an adverse impact on the health and wellbeing of both the person seeking care and their family and carers (Visvanathan et al. 2019). Waiting time for home support services may depend on the level of care required and the availability of services in the area; no data are available on these wait times.

Using aged care services

In 2019–20, more than 1 million people were using aged care in Australia. Over time, people can use both community-based aged care and residential aged care services. As shown by the data on assessments, people commonly use different aged care programs at different stages of their life. During 2019–20, 37% of people using permanent residential aged care were aged 90 and over, compared with 12% of people using home support services (SCRGSP 2021).

Information on people's use of aged care comes from a number of data sources. Individually, these sources generally provide counts of activities in the system but, together, they can show interactions.

To some extent, administrative data collected to inform planning and funding cover the characteristics of both people using care and the broad type of care they receive, as well as aspects of their care needs (for example, the Aged Care Funding Instrument – ACFI – collects information about care needs as they relate to funding levels for permanent residential aged care). While home support data capture information about services delivered, home care and residential aged care data do not.

Perceptions of care

Also missing from the picture are people's perspectives – whether the services they receive were tailored to meet their needs, and whether they were treated with dignity and respect. Consider, for example, the food people are provided in residential aged care: simply put, do people find it nutritional, is it appetising and does it meet their preferences? This was an aspect the Royal Commission noted in its final recommendations (RCACQS 2021a).

Factoring in other sources – such as surveys, tools and other instruments – can provide greater insight into people's experiences of aged care, such as their quality of life. However, information on how people experience care or what their quality of life may be like is not currently captured, representing a notable data gap (Box 8.2). Separately, population-based surveys such as the Australian Bureau of Statistics' (ABS) Survey of Disability, Ageing and Carers capture information about aspects related to people's use of aged care, including health status, functional abilities and met or unmet needs.

Quality and safety of care

Through public submissions and testimony, the Royal Commission revealed cases of abuse and neglect in the system that have not been captured in administrative data. The Royal Commission's final report documented the difficulties in identifying the extent of substandard care in Australia's aged care system (RCACQS 2021b). Information is needed about the quality and safety of aged care.

Some related information can be gleaned from routine data collection, such as those data relating to quality, accreditation, consumer experience, sanctions, quality indicators, serious incidents, complaints and feedback. However, each of these is a discrete type of information and the current focus of data is on service-level reporting. For example, since July 2019, residential aged care services in Australia have collected and reported on quality indicators as part of the National Aged Care Mandatory Quality Indicator Program. Initially, this included 3 indicators (pressure injuries, use of physical restraint and unplanned weight loss). From July 2021, there were 5 Quality Indicators (now also including falls and major injury, and medication management). For more information, see <https://www.gen-agedcaredata.gov.au/Topics/Quality-in-aged-care>.

In response to the Royal Commission, the Government has committed to developing additional indicators and implementing them across residential aged care and in home care by the end of 2022. Along with the new star ratings and the Serious Incident Response Scheme, this initiative is expected to lead to improvements in the quality and safety of aged care (Department of Health 2021e).

The aged care workforce

Quality of care and people's experiences of aged care are also influenced by the people who work in the sector. Aged care is one of Australia's largest service industries, with aged care workers making up 3.1% of our workforce. There is considerable overlap of workers within the sector and between sectors (for example, people may work concurrently in different aged care services or they may work in both disability and aged care sectors). This may add to the demands at the individual level and contribute to workforce shortages, but currently data are not available to understand the full impact (Box 8.2).

Some information about the aged care workforce has been captured in the past through the National Aged Care Workforce Census and Survey: over time, the number of qualified nursing and allied health staff has dropped with a concurrent rise in the number of personal care assistants (Eager et al. 2019; Mavromaras et al. 2017). The 2020 Aged Care Workforce Census may be useful in enabling a more recent understanding of people working in the sector, once data are available.

Limited data about the current workforce restricts our capacity to assess whether people with complex care needs receive suitable care. For example, increased workloads and reduced clinical capacity in residential aged care facilities may affect the care that people with dementia receive. Staff may have insufficient time to build relationships with the increasing numbers of residents with dementia (Duckett et al. 2020).

Currently, data on staffing levels, turnover and staff skills and qualifications are not routinely collected and no minimum requirements apply in aged care. Change is expected, with the Government's acceptance of the Royal Commission's recommendations on future staffing; for example, specifying the minimum staff time to be provided by registered nurses (RCACQS 2021a). As of July 2021, providers have been required to report on care staffing minutes for each facility and these types of information are expected to feed into the star rating system (Department of Health 2021b).

Further, the skill mix of aged care staff should be linked to people's need for care, ensuring that additional staff are engaged for residents with higher-than-average needs. The replacement for the ACFI – the Australian National Aged Care Classification or AN-ACC – is likely to capture precise information about residents' frailty and care needs. It may be used to assess staffing requirements in residential aged care, as well as to facilitate systematic measurement and quality benchmarking (Eager et al. 2020). The AN-ACC is currently being trialled in parallel with existing ACFI assessments and it is expected to be implemented from October 2022 (Department of Health 2021f).

Box 8.2: COVID-19 – a case study in aged care data gaps and their implications

The COVID-19 pandemic has disproportionately affected people using aged care. In Australia, 75% of COVID-19 deaths were among people living in residential aged care as at 30 April 2021. By way of comparison, at the same point in time, 65% of Canada's COVID-19 deaths were in care homes (Department of Health 2021c). Furthermore, the lockdowns and social restrictions applied to residential aged care were at times more restrictive than those applied to people living in the community. People living in the community may also have experienced ongoing disruptions to the formal and informal supports they were receiving (RCACQS 2020a). For more information, see Chapter 3 'The impact of COVID-19 on the wellbeing of Australians'.

The pandemic highlighted known issues in aged care, such as those related to workforce capacity and capability, infection prevention and control, and quality of life (RCACQS 2020a). As this article has shown, these issues are also known data gaps. In the absence of comprehensive and timely data, information has largely been limited to personal stories, media coverage and submissions to the Royal Commission.

continued

Box 8.2 (continued): COVID-19 – a case study in aged care data gaps and their implications

The COVID-19 pandemic may have affected people using aged care in many different ways, some of these indirectly, but there are little comprehensive data available. Linked administrative data can be years behind events, and there is no existing timely mechanism for capturing information on quality of life or changing care needs.

Information about the physical, mental and emotional impact of COVID-19 on people living in residential aged care may be limited given the nature of the administrative data available. From the data currently available, it is not possible to examine the full impact of COVID-19 on residents. In fact, the pandemic has highlighted that there is no common clinical data capture system across aged care facilities, and that there are substantial recognised workforce and Information and Communications Technology system gaps that need to be filled (RCACQS 2021c). Given the current state of these capabilities, creating standardised clinical information will be a considerable undertaking but one that will help with individualised care planning for each resident and potentially contribute to a much greater understanding of these needs at a service population level.

The Department of Health's disease surveillance data provide information on the number of deaths due to COVID-19 for people receiving Government-subsidised residential care at the time of their death. Whether the person died in residential care or a hospital is not reflected in the data. ABS analysis of place of death data show that, for people aged 85 and over in Australia, 44% of deaths due to COVID-19 that occurred by November 2020 were in residential aged care facilities, with 56% in a hospital/medical service area (ABS 2021).

Advice about COVID-19 vaccine eligibility and data on the vaccination rollout for people living and working in aged care have been developing over time. As at July 2021, there was no timely and comprehensive source of person-centred data about the vaccination rollout in the aged care system. Information about vaccinations among aged care workers, for example, are reported to government by aged care providers as this data are not available in the immunisation register or the records of vaccine doses administered. This has implications for understanding and responding to virus outbreaks. See the Department of Health's website (<https://www.health.gov.au>) for the latest information.

Aspects of health service use

There is currently little to no information about allied health use (for example, podiatry, occupational therapy, physiotherapy and dental) by people using aged care services – in part reflecting the lack of comprehensive information about these services for the general population. The Government has accepted the Royal Commission's recommendation to provide appropriate access as needed to these services. To ensure that progress towards this goal is transparent, data are required. Data linkage may also be part of this solution, where existing data can be linked (Box 8.3).

Box 8.3: Understanding the interactions between aged care and health service use

Data linkage is a process that brings together data on the same person or entity from different sources, providing more comprehensive information. Linking aged care data with other collections can enhance what is known about people's interactions across different settings, such as their use of general practitioners (GPs), medications, specialists and the hospital system while using aged care.

The AIHW Interfaces between the aged care and health system in Australia series of reports illustrated some insights that could be gained from linked data (for more information, see <https://gen-agedcaredata.gov.au/Resources/Reports-and-publications/Interfaces-between-the-aged-care-and-health-system>) – for example, that most people in permanent residential aged care see GPs, but that many other aspects of health care use are less frequent for those in aged care than for those not in aged care (AIHW 2020b). People's patterns of medication use also change before and after entry into permanent residential aged care, with a marked increase in the dispensing of some psychotropic medications after entry (AIHW 2020a).

As well, linked longitudinal data sets can identify patterns of aged care use and how these vary depending on people's characteristics. For example, research using the Australian Longitudinal Study on Women's Health has shown that characteristics such as being widowed, living in remote/regional areas or having a chronic condition were associated with increased odds of needing higher levels of aged care (Rahman et al. 2019).

One of the key gaps in aged care data is that they are often limited to information collected for administrative purposes, such as assessing claims and making payments. However, administrative data can be enhanced to address specific questions. For example, an indicator in Pharmaceutical Benefits Scheme (PBS) data was recently implemented to identify whether people are living in a residential aged care facility (Department of Health 2020b); however, this enhanced PBS information is still limited to medications where a PBS claim is made and excludes other types of medication (for example, those purchased over the counter).

In response to the recommendations of the Royal Commission, it is expected that, in the future, many health-related data sets will include an item identifying whether a person is receiving aged care services and the type of aged care. Greater connections between aged care and health systems are a welcome development to further enhance what is known about a person's interactions with different services.

Leaving aged care

Administrative data from the aged care system capture exits from residential aged care and from home care, including the reason for exit and time spent in aged care (for more information, see GEN <https://www.gen-agedcaredata.gov.au>). However, these data currently relate to claims submitted by the provider and, for example, time spent in aged care at the person level may be different (taking into account time spent in hospital or visiting the community).

Many Australians use aged care services towards, and at, the end of life. Often, aged care and end-of-life care overlap, and residential aged care is the most common form of aged care used in the final months or years of life.

Some people may leave residential aged care to return home or to the community but, for the majority, the aged care facility is their final home. For example, of older people in Victoria and Queensland who died aged 65 and over in 2016–17 and had been living in residential aged care shortly before their death:

- 78% died in residential aged care
- 19% died in hospital
- 1.7% died in emergency departments
- 0.2% died possibly in the community (such as at home with or without other supports in place).

These data compare with 71% dying in hospital, 26% in the community and 2.7% in emergency departments for those older people who had not been using residential aged care in the week before their death (AIHW 2021a).

Understanding the interactions between different settings and how and when people leave aged care is important not only for service planning and resourcing decisions, but also for understanding people's wellbeing. It can provide evidence for the quality and appropriateness of aged care and the person's needs and experiences. Analysing linked administrative data sets is currently the best way to take a person-centred view of the circumstances surrounding a person's exit from aged care.

Improving our understanding of the journey – a way forward

There is a wealth of system-based, administrative data on aged care, but there are notable data gaps in the individual data sources. The current disconnections between these disparate sources also represent a data gap, as does the lack of high-quality, comparable and critical information in a range of areas. A coordinated approach that takes a person centred view of aged care and enables an assessment of the health, wellbeing, safety and quality of care throughout the aged care journey is one way forward.

Overall, a greater focus on measuring the health, wellbeing and safety of people using aged care will be needed to drive better data systems and outputs and, importantly, better quality of life and better health outcomes for people.

Ensuring a coordinated approach to data capture

As Australia's aged care system has evolved, systems, programs and services have changed. Each information system that captures data has been developed separately, and their terminology and data definitions reflect this. Data are collected on particular components of aged care, health and other support services, as well as on population cohorts, yet there are few innate links between these data sources. Current data sources do not readily identify the way different services interact, and how people use them concurrently. This has implications for service planning and delivery. Without data systems that work together and share information, people's continuity of care within and across services is hampered.

The development of a National Aged Care Data Strategy will provide an overarching framework to identify, improve and better use aged care data to inform aged care policy development and service planning. The strategy will need to drive data improvements relating to current and future service demand, workforce, interactions with the health system, quality and safety, and outcomes of care, including for diverse populations. This will involve establishing broad agreement on the information needs across the system and coordinating future developments. The Aged Care Minimum Data Set will define the core data to be supplied from the various component data sources and inform future changes to the aged and health care data collection systems.

Taking a person-centred view

A person-centred view of aged care use will make it possible to assess what people need from aged care services, how those needs change over time and whether the care a person receives meets their needs. Some specific examples of what is missing in existing data from a person-centred view include:

- access to aged care: how long people wait at each step of the journey, why people wait for aged care places, what happens while they wait and whether people are able to access the care they need
- workforce: staffing levels, turnover and staff skills, characteristics and qualifications
- care needs: what people need from aged care, and whether those needs are met, including identifying and monitoring health conditions such as dementia
- cost of care: how cost influences access to aged care, the quality of care received and variation in people's out-of-pocket costs
- diversity: how people's background, experiences and needs may affect what they need from aged care or how they experience aged care – particularly people who are experiencing, or at risk of, homelessness; care leavers; those who identify as lesbian, gay, bisexual, trans and gender diverse, intersex or queer; Aboriginal and Torres Strait Islander people; people living in rural or remote areas; younger people; and those with dementia or disability
- quality of care and quality of life: the quality of services received, as well as people's experiences of care more broadly and overall quality of life, to provide measurable outcomes of good person-centred care
- palliative care: whether people received appropriate palliative care and support towards the end of life.

In terms of the quality and safety of care, other measures of interest are potentially avoidable hospital admissions, use of chemical restraints, reportable serious incidents and assaults, as well as premature deaths. Providing greater transparency around these types of information, such as through the system of star ratings for services, can enable older people and their families to make comparisons (RCACQS 2021c).

Examining pathways and outcomes

When data from different sources are brought together, they can offer insights into the factors that prevent, delay or present a barrier to using aged care, as well as the causal pathways and outcomes for people using aged care. For this to happen, more comprehensive information is needed about people's health, wellbeing and quality of life at each stage of the journey through aged care. Information is also needed on the interactions across the aged care, health and other support systems, both in terms of meeting the needs of people and the quality and safety aspects of these services. Such information can improve our understanding, including our capacity to assess the impact of events such as COVID-19 and the bushfire season in 2019–20. It can also build our understanding of the experiences of vulnerable population groups. Filling data gaps relating to people who may have difficulty accessing or using aged care and other services are particularly important to ensure equity of access for all older Australians.

Having access to a broad set of information at the person level will provide opportunities to consider pathways and outcomes from different angles. For example, having comprehensive information about the costs of individual components of care and types of care could facilitate analysis of the costs and benefits to the public.

The current data gaps, and the lack of links between the data sources, limit both the measurement of outcomes and the extent to which data can inform policy development and service planning. While this has negative implications for the sector and providers, ultimately it is older Australians and their families who are most affected. In summary, relying on individual data sources limits the capacity to assess how the aged care system is faring.

Linking the data

Drawing disparate pieces of information together can provide a richer picture. In particular, integrating information from different sources through data linkage can support person-based analysis of people's wellbeing as they use aged care. It also becomes possible to examine the interactions between events and over time. The AIHW's National Integrated Health Services Information Analysis Asset (NIHSI AA), the Pathways in Aged Care (PIAC) link map and the ABS Multi Agency Data Integration Project (MADIP) are examples of the potential this process offers.

- PIAC brings together aged care data from the National Aged Care Data Clearinghouse and deaths data from the National Deaths Index to provide a person-level view of the journey from assessment to aged care use, and ultimately death.

- The NIHSI AA provides a similar view of health service use, such as Medical Benefits Schedule, PBS and hospital care, in combination with residential aged care.
- The MADIP connects information on a number of topics including health, employment and population demographics (including the Census) over time.

Each of these government-managed linked assets are valuable in their own right. However, this value can be enhanced if future governance and technological developments, consistent with community expectations, help them to work together as part of a broader data system.

Linked aged care data are being used by the research and clinical community to produce valuable person-centred information by, for example:

- the Registry of Senior Australians at the South Australian Health and Medical Research Institute
- the 45 and Up Study at the Sax Institute
- the Concord Health and Ageing in Men Project at the University of Sydney
- the Australian Longitudinal Study on Women's Health at The University of Newcastle and The University of Queensland.

Further insights into the health care needs of particular groups of people, such as those with dementia (representing around half of the people in permanent residential aged care, based on ACFI data), could be gleaned from linked aged care and health service use data in the future. However, there are opportunities to look beyond existing data and build on these to better meet the information needs and known data gaps.

Improving the data

There is an opportunity to improve what we know about people's journey through aged care. A National Aged Care Data Strategy will guide the development of an aged care data system that not only uses existing data sets effectively, but also addresses data gaps. The data strategy will also identify the governance and infrastructure arrangements that are necessary to support a cohesive aged care data system. As part of this broader system, the National Aged Care Data Asset – an enduring de-identified linked data set underpinned by an Aged Care National Minimum Data Set – will provide routinely collated, regularly updated and accessible data. One important input is routinely collected administrative data, which can be used in combination with population and service user surveys to build a stronger understanding of the experience of older people using aged care.

The aged care data system will support the integration of available data sets and enable a person-centred view of pathways and outcomes across aged care, health and other support systems. However, the current and projected need for high-quality aged care that is rights-based and person-centred will require more sophisticated data than currently exist. The development work will identify data gaps and develop common data definitions across the aged care sector, beginning with the Aged Care National Minimum Data Set.

Data improvements such as filling gaps, improving the quality and increasing availability and accessibility will be essential for policy development and service planning as well as for research and evaluation. Improving the data landscape also has the potential to encourage a culture of continual improvement, while providing the necessary information for policy, planning, system monitoring, service delivery improvements and research purposes. International comparisons across key measures may also be more readily undertaken. In addition, data improvements must support the evaluation of changes resulting from the implementation of the Royal Commission's recommendations, as well as the impact of events such as COVID-19 on people's wellbeing and use of aged care into the future.

Aged care should support people to live meaningful lives into their older age, protecting their quality of life, safety and wellbeing. Older people should have equitable access to information and services that are effective and appropriate to their needs, and that take into account individual circumstances. While current data shed some light on people's experiences and service use on their journey through aged care, the data are yet to tell the full story. Data improvement, including new and improved data capture and linkage of available data, is crucial in order to provide a reliable basis for further policy development and for service delivery models aimed at supporting older people. Most importantly, data improvements are needed to ensure that all older Australians using aged care are afforded dignity, respect and control.

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Abbreviations

ABS	Australian Bureau of Statistics
ACFI	Aged Care Funding Instrument
AIHW	Australian Institute of Health and Welfare
AN-ACC	Australian National Aged Care Classification
ANU	Australian National University
ATO	Australian Taxation Office
BLADE	Business Longitudinal Analysis Data Environment
Census	Census of Population and Housing
CHeREL,	Centre for Health Record Linkage
CI	confidence interval
COVID-19	coronavirus 2019
DES	Disability Employment Services
Disability RC	Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
DMS	Disability Management Services
DS NMDS	Disability Services National Minimum Data Set
EA	emergency accommodation
ERP	Estimated Resident Population
ESS	Employment Support Services
GDP	gross domestic product
GFC	global financial crisis
GP	general practitioner
HILDA Survey	Household, Income and Labour Dynamics in Australia Survey
ICT	Information and Communications Technology
IDI	[New Zealand] Integrated Data Infrastructure
K10	Kessler Psychological Distress Scale
LFS	(ABS) Labour Force Survey
LSAC	Longitudinal Study of Australian Children
LSIC	Longitudinal Study of Indigenous Children
MADIP	Multi Agency Data Integration Project

MBS	Medical Benefits Schedule
NDA	National Disability Agreement
NDDA	National Disability Data Asset
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NDS	National Disability Strategy
NGO	non-government organisation
NHHA	National Housing and Homelessness Agreement
NIHSI AA	National Integrated Health Services Information Analysis Asset
OECD	Organisation for Economic Co-operation and Development
PBS	Pharmaceutical Benefits Scheme
PHRN	Population Health Research Network
PIAC	Pathways in Aged Care [link map]
Q2	second quarter (of the year)
Q3	third quarter (of the year)
RoGS	Report on Government Services
SA4	Statistical Area Level 4
SDAC	Survey of Disability, Ageing and Carers
SDM	Short Disability Module
SEIFA	Social-Economic Indexes for Areas
SHS	Specialist Homelessness Services
SHSC	Specialist Homelessness Services Collection
SIH	(ABS) Survey of Income and Housing
STP	Single Touch Payroll
UNSW	University of New South Wales
WADLS	WA Data Linkage System

Symbols

%	per cent
\$	Australian dollars, unless otherwise specified
<	less than
>	more than
≤	less than or equal to
≥	more than or equal to
..	no data/insufficient data
'000	thousands
n.a.	not available

Glossary

Aboriginal or Torres Strait Islander: A person of Aboriginal and/or Torres Strait Islander descent who identifies as an Aboriginal and/or Torres Strait Islander. See also **Indigenous**.

ABSTUDY: Means-tested living allowance and range of supplementary benefits for Aboriginal and Torres Strait Islander students and apprentices aged 16 and over.

Austudy: Means-tested allowance for Australians aged 25 or older and studying or an Australian Apprentice.

administrative data: Data collected by governments or other organisations generated during the routine administration of program or service delivery; while not designed or originally intended for research, these data can be a rich source of information.

administrative data collection: Data set comprising information collected for the purposes of delivering a service or paying the service provider. This type of collection is usually complete (all in-scope events are collected), but may not be fully suitable for population-level analysis because the data are collected primarily for an administrative purpose.

Age Pension: Means-tested income support payment paid to older Australians who meet age and residency requirements, subject to income and asset tests.

aged care services: Daily living and nursing care services provided through residential, home or flexible care arrangements run by governments, not-for-profit organisations or private businesses. Much formal aged care is subsidised through government programs; the 3 largest programs are **home support**, **home care** and **residential aged care**.

at risk of homelessness: Describes a person at risk of losing their accommodation or experiencing one or more of a range of factors or triggers that can contribute to homelessness. Risk factors include:

- financial stress, including due to loss of income, low income, gambling, change of family circumstances
- housing affordability stress and housing crisis (pending evictions/foreclosures, rental and/or mortgage arrears)
- inadequate or inappropriate dwelling conditions, including accommodation that is unsafe, unsuitable or overcrowded
- previous accommodation ended
- relationship/family breakdown
- child abuse, neglect or environments where children are at risk

- sexual abuse
- family/domestic violence
- non-family violence
- mental health issues and other health problems
- problematic alcohol, drug or substance use
- employment difficulties and **unemployment**
- problematic gambling
- transitions from custodial and care arrangements, including out-of-home care, independent living arrangements for children aged under 18, health and mental health facilities/programs, juvenile/youth justice and correctional facilities
- discrimination, including racial discrimination (for example, **Indigenous** Australians in the urban rental market)
- disengagement with school or other education and training
- involvement in, or exposure to, criminal activities
- antisocial behaviour
- lack of family and/or community support
- staying in a boarding house for 12 weeks or more without security of tenure.

Canadian National Occupancy Standard: Standard used to assess overcrowding in households, based on the number, sex, age, and relationships of household members.

carer: Person who cares for another person (often a relative or friend) and is responsible for making decisions about that person's daily care. In the Australian Bureau of Statistics Survey of Disability, Ageing and Carers, a carer is defined as a person who provides any informal assistance (help or supervision) to people with **disability** or older people, with assistance being ongoing, or likely to be ongoing, for at least 6 months. In other contexts, the definition of a carer may be more flexible.

Carer Payment: Means-tested income support payment for people providing constant care for a person with physical, intellectual or psychiatric disability, severe medical condition, or who is frail aged and, due to their caring role, are unable to support themselves through substantial paid employment.

care-leaver: Person who spent time in care as a child (aged under 18). They may have been placed in foster care, institutional care (mainly childrens homes) or other out-of-home care away from their immediate or extended family. These groups of people may also be referred to as 'Forgotten Australians', 'Former Child Migrants' or 'Stolen Generations'.

casual workers: Employed person who generally has no set or regular weekly hours, is not entitled to paid leave and has no notice period for ending employment. Casual workers may work full-time or part-time. See also **full-time workers** and **part-time workers**.

Centrelink: Centrelink social security payments and services administered by the Department of Social Services and delivered by Services Australia for retirees, the unemployed, families, carers, parents, people with disability, Aboriginal and Torres Strait Islander people, and people from diverse cultural and linguistic backgrounds.

Coronavirus Supplement: From 27 April 2020 to 31 March 2021, a Coronavirus Supplement was provided for new and existing recipients of select government payments, including JobSeeker Payment, Parenting Payment, Youth Allowance, Austudy, Widow Allowance, Partner Allowance, ABSTUDY living allowance, Farm Household Allowance and Special Benefit.

COVID-19 (coronavirus disease 2019): A contagious disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The first known case of the disease was identified in December 2019 and it has since spread worldwide, leading to an ongoing **pandemic**.

data linkage: Bringing together (linking) information from 2 or more data sources believed to relate to the same entity, such as the same individual or the same institution. This linkage can provide more information about the entity. In certain cases, it can provide a time sequence, helping to tell a story, show pathways and perhaps unravel cause and effect. The term is used synonymously with the terms 'record linkage' and 'data integration'.

de-identification: A process that removes or alters personal identifiers, and then applies additional techniques or controls to remove, obscure, aggregate, alter and/or protect data so they are no longer about an identifiable (or reasonably identifiable) individual.

disability: An umbrella term for impairments, activity limitations and participation restrictions, all of which can interact with a person's health condition(s) and environmental and/or individual factors to hinder the person's full and effective participation in society on an equal basis with others. There are varying degrees of disability – from having no evident impairment or limitation to a complete loss of functioning. It can be associated with genetic disorders, illnesses, accidents, ageing, injuries or a combination of these factors.

Disability Support Pension: Means-tested income support payment for people aged 16 and over but under age pension age (at claim) who have reduced capacity to work because of their disability.

employed: Describes people who, during the reference week:

- worked for 1 hour or more for pay, profit, commission or payment in kind, in a job or business or on a farm (comprising employees and owner-managers), or
- worked for 1 hour or more without pay in a family business or on a farm, or
- were employees who had a job but were not at work and were:
 - away from work for fewer than 4 weeks up to the end of the reference week, or
 - away from work for more than 4 weeks up to the end of the reference week and received pay for some or all of the 4-week period to the end of the reference week, or
 - away from work as a standard work or shift arrangement, or
 - on strike or locked out, or
 - on workers compensation and expected to be returning to their job, or
- were owner-managers who had a job, business or farm, but were not at work.

employment rate: Also referred to as employment-to-population ratio. Number of employed persons expressed as a percentage of the civilian population.

employment to population ratio: Number of employed people in a specified group expressed as a percentage of the civilian population in the same group. See also **employment rate**.

epidemic: A widespread occurrence of an infectious disease in a community at a particular time. See also **pandemic**.

equivalised household income (disposable or gross): Adjustment made to total household income to facilitate comparison of income levels between households of differing size and composition. An indicator of the economic resources available to a standardised household. For a lone-person household, equal to income received. For a household comprising more than one person, an indicator of the household income that a lone-person household would require to enjoy the same level of economic wellbeing as the household in question. Can be measured as gross (total) income, net (after tax) income, or disposable income (after taxes and other essential costs are deducted from total income).

full-time workers: Employed people who usually worked 35 hours or more a week (in all jobs) and those who, although usually working fewer than 35 hours a week, worked 35 hours or more during the reference week of the Australian Bureau of Statistics (ABS) Labour Force Survey. This definition applies to the ABS Labour Force Survey and may differ somewhat from the definitions in other collections. Compare with **part-time workers**.

gross domestic product (GDP): A statistic commonly used to indicate national wealth. It is the total market value of goods and services produced in a given period after deducting the cost of goods and services used up in the process of production but before deducting allowances for the consumption of fixed capital.

head lease: A lease where a legal entity, such as a government or non-government agency, rents a private rental property from a landlord and then on-leases it to a tenant.

home care: Support and care services given to older people in their own homes, formally called the Home Care Packages Program. Services are offered in packages of care, which can comprise personal care and domestic support, as well as clinical and allied health services. Four levels of care are set to support those with basic (Level 1), low (Level 2), intermediate (Level 3) and high (Level 4) care needs. Effective from 2013, the program combined similar previous programs (Community Aged Care Package, Extended Aged Care at Home, and Extended Aged Care at Home Dementia).

homelessness: For the purpose of the Specialist Homelessness Services Collection, a person is defined as homeless if they are living in either:

- non-conventional accommodation or as '**rough sleepers**', or
- short-term or emergency accommodation due to a lack of other options.

Non-conventional accommodation (primary homeless) is defined as:

- living on the streets
- sleeping in parks
- squatting
- staying in cars or railway carriages
- living in improvised dwellings
- living in the long grass.

This definition aligns closely with the cultural definition of primary homelessness.

Short-term or emergency accommodation (secondary homeless) includes:

- refuges
- crisis shelters
- couch surfing or no tenure
- living temporarily with friends and relatives
- insecure accommodation on a short-term basis
- emergency accommodation arranged by a **specialist homelessness agency** (for example, in hotels, motels and so forth).

This definition aligns closely with the cultural definition of secondary homelessness.

home support: Entry-level support services for older people so they can continue to live independently at home, formally called the Commonwealth Home Support Programme. Effective from 2015, the program combined similar previous programs – the Commonwealth Home and Community Care (HACC) Program, National Respite for Carers, Day Therapy Centres, and Assistance with Care and Housing for the Aged.

Income support payments: Sub-category of benefits paid by the Australian Government expected to serve as a recipient's primary source of income; they are regular payments that assist with the day-to-day costs of living.

income test: Test to determine an individual's eligibility for the full or part-rate of a government payment, based on their earnings from work, investments and/or substantial assets.

income threshold: For the purposes of Centrelink payments, the income threshold is the amount a person can earn before their payment is reduced.

Indigenous: A person of Aboriginal and/or Torres Strait Islander descent who identifies as an Aboriginal and/or Torres Strait Islander.

JobKeeper Payment: A fortnightly wage subsidy introduced by the Australian Government in March 2020, designed to support the economy during the COVID-19 pandemic by helping to keep businesses trading and people employed. Eligible organisations had to pay their employees the full JobKeeper amount (after tax) – regardless of whether an employee had undertaken any work – after which the organisation received the JobKeeper Payment from the Australian Tax Office.

JobSeeker Payment: Means-tested income support payment for working-age Australians (aged over 22 but under the Age Pension qualifying age) who are looking for work, participating in approved activities that may increase their chances of finding a job, or earning under the income threshold. Receipt of this payment is typically subject to asset tests and mutual obligation requirements (such as looking for work or engaged in activities that that will assist with finding work in the future). In March 2020 this payment replaced Newstart Allowance, consolidating it with several other payments (such as Sickness Allowance and Bereavement Allowance).

labour force: People aged 15 and over who are employed or unemployed but actively looking for work during the reference week of the Australian Bureau of Statistics (ABS) Labour Force Survey. This definition applies to the ABS Labour Force Survey and may differ somewhat from the definitions in other collections.

labour force participation rate: For any group, the labour force (employed or unemployed) expressed as a percentage of the civilian population aged 15 and over in the same group.

link map: A map that provides – after **data linkage** – project-specific identifiers that allow data from the data sets in scope for linkage to be combined for statistical analysis.

means tested: Most social security payments are means-tested; a formal process used to determine eligibility for full or part payment based on whether a person's income from all sources (income, investments, assets) is below certain income thresholds.

median: Midpoint of a list of observations ranked from smallest to largest.

mutual obligation requirements: Mutual obligations are designed to ensure unemployed people receiving activity tested income support payments are actively looking for work and participating in activities that will assist them into employment. Mutual obligation requirements differ depending on the recipient's age, assessed work capacity and whether they are the primary carer of a dependent child. Examples of mutual obligation requirements include accepting offers of suitable paid work, job search, attending appointments with employment services providers, and participating in approved education or training courses or programs.

national minimum data set (NMDS): A set of data elements agreed for mandatory collection and reporting at a national level. It may include data elements also included in other NMDSs.

Newstart Allowance: Means-tested income support payment for working-age Australians (aged over 22 but under the Age Pension qualifying age) who are looking for work, participating in approved activities that may increase their chances of finding a job, or earning under the income threshold. This payment was replaced by the **JobSeeker Payment** in March 2020.

older person: A person aged 65 or over, unless otherwise noted.

overcrowding: Situation in a dwelling where one or more additional bedrooms would be required to adequately house its inhabitants according to the **Canadian National Occupancy Standard**.

pandemic: An **epidemic** occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people.

parenting payment: Means-tested income-support payment for principal carers in recognition of their reduced capacity to support themselves while caring for young children. **Parenting Payment Single** is available for single parents until their youngest child turns 8. **Parenting Payment Partnered** is available for partnered parents until their youngest child turns 6.

Parenting Payment Partnered: Means-tested income-support payment to support partnered carers of young children, available until the recipient's youngest child turns 6.

Parenting Payment Single: Means-tested income-support payment to support single carers of young children, available until the recipient's youngest child turns 8.

participation rate: The **labour force** expressed as a proportion of the civilian population.

part-rate payment: Government payment received by an individual that is not the full amount that may be received for that particular benefit type. Whether an individual is eligible for full or part payment is often determined based on whether the income they earn is below or above a certain threshold.

part-time worker: Employed person who usually worked fewer than 35 hours a week (in all jobs) and did so during the reference week of the Australian Bureau of Statistics (ABS) Labour Force Survey or was not at work in the reference week. This definition applies to the ABS Labour Force Survey and may differ somewhat from definitions in other collections. Compare with **full-time workers**. See also **employed**.

person-centred data: Data derived through an analysis approach that focuses on the experiences and outcomes of individuals, rather than on organising information by specific topics, services or systems. It can refer to identified data that allows for analysis of individual and group pathways through services or systems as well as for the analysis of relationships between various aspects of people's lives.

Pharmaceutical Benefits Scheme (PBS): A national, government-funded scheme that subsidises the cost of a wide variety of pharmaceutical drugs, covering all Australians, to help them afford standard medications. The PBS lists all the medicinal products available under the PBS and explains the uses for which subsidies can apply.

qualifying age: Age at which a person is eligible for particular government benefits

quality indicators: A statistic (or set of statistics) used to describe the quality of a situation or aspect of society (such as service provision). The assessment of quality is based on values or goals. Quality indicators can be used to measure and track change, progress or performance towards achieving set objectives. Quality indicators may be based on surveys, incidents, complaints monitoring or routine data collection, for example.

quintile: Group derived by ranking a population according to specified criteria (for example, income) and dividing it into five equal parts. Can also mean the cut-points that make these divisions – that is, the 20th, 40th, 60th and 80th percentiles – but the first use is the more common one. Commonly used to describe socioeconomic groups based on socioeconomic position. Also used to describe income groups.

rate: One number (numerator) divided by another number (denominator). The numerator is commonly the number of events in a specified time. The denominator is the population 'at risk' of the event. Rates (crude, age-specific and age-standardised) are generally multiplied by a number such as 100,000 to create whole numbers.

remoteness area: Classification that divides each state and territory into several regions based on their relative accessibility to goods and services (such as general practitioners, hospitals and specialist care) as measured by road distance. These regions are based on the Accessibility/Remoteness Index of Australia and defined as Remoteness Areas by the Australian Standard Geographical Classification (before 2011) or the Australian Statistical Geographical Standard (from 2011 onwards) in each Census year.

residential aged care: Care provided to a person in an aged care facility approved by the Australian Government (often called 'nursing homes'). The services provided include accommodation in private or shared rooms (bedding and other furnishings, meals and laundry), as well as personal care (assistance with activities of daily living, such as bathing, showering, toileting, dressing, eating and moving about), social activities and nursing and allied health care services. Residential aged care can be provided on a permanent basis, meaning that people live in the facility, or on a short-term basis for respite or emergency support.

retrenchment: Describes people aged 15 and over who ceased a job in the 3 months prior to the survey reference week in the Australian Bureau of Statistics Labour Force Survey because they were either: retrenched, made redundant, employer went out of business, no work was available; or self-employed persons whose business closed down for economic reasons, including went broke, liquidated, no work, no supply or demand.

rough sleepers: People living on the streets, sleeping in parks, squatting, staying in cars or railway carriages, living in improvised dwellings or living in the long grass.

social housing: Rental housing funded or partly funded by government, which is owned or managed by a government or community organisation and let to eligible persons.

social security system and payments: Aims to encourage self-reliance and provide for a minimum acceptable standard of living, with payments targeted to people who do not have the means to support themselves. Provides payments, through Centrelink, to those unable to work (due to disability or caring responsibilities), those unable to find work, those pursuing post-school learning, families with the cost of raising dependent children, and rental costs.

Special Benefit: an income support payment for people who are not eligible for other income support payments and experiencing financial hardship due to reasons beyond their control, such as not meeting age or residency requirements of payments.

specialist homelessness agency: An organisation that receives government funding to deliver **specialist homelessness services** to a client. These can be either not-for-profit or for profit agencies.

specialist homelessness agency client: A person who receives a **specialist homelessness service**. To be a client, the person must receive a service directly and not just be a beneficiary of a service. Children (of any age) who present with an adult and receive a service are considered clients. Children of a client or other household members who present but do not directly receive a service are not considered clients.

specialist homelessness service(s): Assistance provided by a **specialist homelessness agency** to a client aimed at responding to or preventing **homelessness**. The specialist homelessness services in scope for the Specialist Homelessness Services Collection include:

- accommodation provision
- assistance to sustain housing
- family/domestic violence services
- mental health services
- family/relationship assistance
- disability services
- drug/alcohol counselling
- legal/financial services
- immigration/cultural services
- other specialist services and general assistance and support.

student payments: Range of Centrelink payments available to support people who are studying or undertaking an apprenticeship. In this report it is focussed on means-tested income support payments, including Youth Allowance (student or Australian Apprentices), ABSTUDY (Living Allowance) and Austudy (for those aged 25 and over).

survey data collection: A dataset that results from sampling individual units from the population. No sample will ever be fully representative of the population but, if carefully designed and implemented, it will be highly representative – sufficient to draw conclusions about the characteristics of the whole population.

underemployed: Employed persons aged 15 and over who want, and are available for, more hours of work than they have. Comprises: people employed part time who want to work more hours and are available to start work with more hours, either in the reference week or in the 4 weeks after the survey; or persons employed full time who worked part-time hours in the reference week (fewer than 35 hours) for economic reasons (including being stood down or insufficient work being available). This definition applies to the Australian Bureau of Statistics Labour Force Survey and may differ somewhat from definitions in other collections.

underemployment rate: Number of underemployed workers expressed as a percentage of the labour force.

unemployed: Describes people aged 15 and over who were not employed during the reference week of the Australian Bureau of Statistics Labour Force Survey, and had actively looked for work in the previous 4 weeks and were available for work in the reference week, or were waiting to start a new job within 4 weeks of the end of the reference period and could have started had it been available. This definition applies to the Labour Force Survey and may differ somewhat from definitions in other collections. Compare with **employed**.

unemployment payment: Benefit or payment available to working-age people looking for work, including the **Youth Allowance Other** and the **Newstart Allowance**.

unemployment rate: Number of unemployed people, expressed as a percentage of the labour force.

vaccination: Treatment with a **vaccine** to produce immunity against a disease.

vaccine: A substance used to stimulate the production of antibodies and provide immunity against one or several diseases. It is prepared from the causative agent of a disease, its products, or a synthetic substitute, and treated to act as an antigen without inducing the disease.

wave: A term used in **epidemic/pandemic** discussions to describe a rising number of sick individuals, a defined peak, and then a decline in numbers. It implies a natural pattern of highs and lows in these statistics.

workforce: People who are **employed** or **unemployed** (not employed but actively looking for work), also known as the **labour force**. In the context of a specific industry, this may also refer to people employed in that industry.

younger people in residential aged care: People aged under 65 living in **residential aged care**.

Youth Allowance Other: Means-tested payment for young people aged 16–21, looking for full-time work or undertaking approved activities.

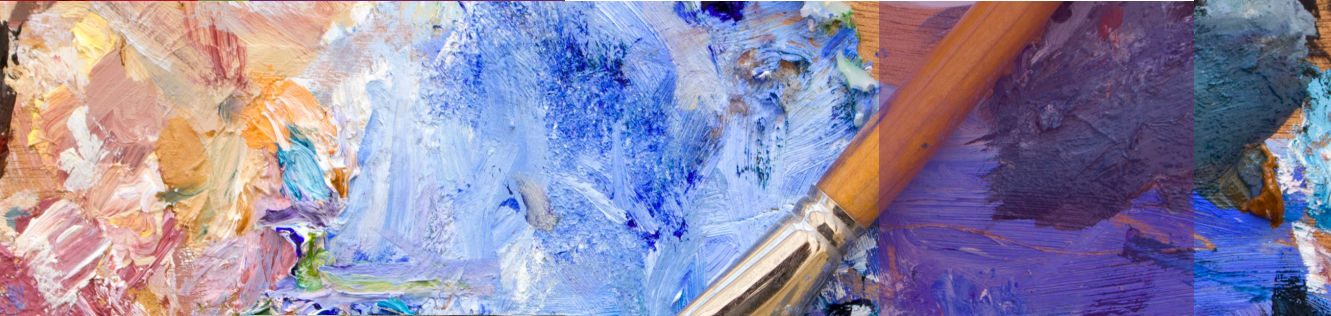
Youth Allowance for students and Australian apprentices: Means-tested payment for full-time students and Australian apprentices aged 16–24.

Youth Allowance (student and Australian Apprentices): Means-tested income support payment for full-time students and Australian Apprentices aged 16–24.

Australia's welfare 2021: data insights describes the importance of welfare data and explores selected welfare topics—including the impact of COVID-19 on the wellbeing of Australians, on the housing sector, and on employment and income support—in 8 original articles.

Australia's welfare 2021 is the 15th biennial welfare report of the Australian Institute of Health and Welfare. This edition is comprised of the following product suite:

- *Australia's welfare 2021: data insights*
- Australia's welfare snapshots
- *Australia's welfare 2021: in brief*
- Australia's welfare indicators



Stronger evidence,
better decisions,
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