

Part 1: The impact of abuse and neglect

Chapter 2:

Vulnerability and the impact of abuse and neglect

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Key points

- Child vulnerability is difficult to measure and describe as it often results from a combination of factors affecting a child, their family and their environment.
- Vulnerability is not static as children and their families can be more or less vulnerable at different times and as different life events occur. However, there are specific factors that can accumulate to make a child more vulnerable, and these factors may change as a child develops.
- The Inquiry provides context for understanding vulnerability and examines the factors that increase the risk of child abuse or neglect occurring. The factors are placed in three categories:
 - parent/family or caregiver factors: history of family violence; alcohol and other substance misuse; mental health problems; intellectual disability; parental history of abuse and neglect; and situational stress;
 - child factors: the age and gender of the child; and health and disability factors; and
 - economic, community and societal factors: social inclusion and exclusion; and social norms and values.
- There is a strong correlation between vulnerability and the risk factors for child abuse and neglect and, in turn, a correlation with other socioeconomic factors. These interconnected factors need to be considered and addressed together.
- Approximately 65 per cent of families using Victorian government-funded early parenting assessment and skills development services have four or more risk factors, including mental illness, family violence, substance use, being teenage mothers, financial stress, and parental disability.
- The Inquiry finds that at the current rate of reporting to statutory child protection services, almost one in four children born in 2011 will be the subject of at least one report before they turn 18.
- The Inquiry finds that vulnerability and the risk factors associated with child abuse and neglect are concentrated in certain areas of Victoria and there is a correlation with social and economic disadvantage. This suggests the most effective focus of government activity is to tackle vulnerability of children and their families through locally based initiatives and services.
- Submissions to the Inquiry have shown the devastating personal costs of abuse and neglect. Estimates prepared for the Inquiry show that the total lifetime financial costs of child abuse and neglect for all abused and neglected children that occurred in Victoria for the first time in 2009-10 is between \$1.6 and \$1.9 billion.

2.1 Introduction

The Inquiry was established to investigate, at a system level, Victoria's overall approach to, and performance in, protecting Victoria's vulnerable children, and to provide recommendations to reduce the incidence and negative impact of child abuse and neglect in Victoria.

In order to do this, the Inquiry has examined the problem of child abuse and neglect and the factors that make children and young people vulnerable to abuse and neglect. This chapter starts by exploring what vulnerability means and how it relates to a child's needs and outcomes in life. The chapter then introduces the broad concepts of child safety, wellbeing and development to understand how vulnerability impacts on the life of a child or young person.

The range of factors that have been found to be associated with child abuse and neglect are then outlined. A brief overview of the available information and research on the prevalence of these risk factors in Victoria is also provided. The relationship between these risk factors and other socioeconomic indicators is considered.

As an indicator of the scale of concern in the Victorian community for children's wellbeing and safety, the Inquiry has examined the current level of reports of suspected child abuse and neglect and the projected growth in these reports. The expected significant growth in reports concerning children's wellbeing and safety provides an imperative for government and the community to act to address the causes of child abuse and neglect before they occur. In order to respond effectively government must better understand the drivers of these reports and how to respond to those concerns to address a child's needs.

This chapter presents evidence of the clustered nature of vulnerability and other socioeconomic factors in Victoria.

Addressing child abuse and neglect is critically important because when child abuse and neglect does occur there are shattering impacts on the child or young person. These individual impacts accumulate and build to create significant social and economic costs. Modelling has been commissioned by the Inquiry to quantify the cost of child abuse and neglect to the Victorian community. The significance of these costs provides a compelling reason for government to act swiftly to address the vulnerability of children and their families as a means to reduce the incidence and negative impact of child abuse and neglect.

2.2 Vulnerability

All societies have a fundamental commitment to protecting their children. In most societies there is also an expectation that children will grow up safe, healthy and happy in stable and caring environments. Vulnerability, however, may prevent this occurring for some children.

Children and young people have a range of needs that change during various stages of their development. When these needs are not met, children and young people are at risk of poor outcomes. A range of risk factors can lead to a child not having their needs met and being more vulnerable than other children.

Vulnerability is difficult to measure and describe because it often results from a combination of factors affecting a child, their family and their environment. Vulnerability is not static as children and their families can be more or less vulnerable at different times and as different life events occur. However, there are specific factors that can accumulate and make a child more vulnerable, and these factors may change as a child develops. Vulnerability prevents children from achieving positive outcomes across a range of domains and this disruption to an ordinary developmental pathway is even more pronounced when vulnerable children suffer abuse and neglect.

The Inquiry considers a child or young person to be vulnerable when they are exposed to a range of known risk factors that increase the likelihood they will experience poor outcomes in relation to their wellbeing and safety. For the purposes of the Inquiry the following definition has been adopted:

Inquiry definition of vulnerable children

Children and young people who because of their particular circumstances are at risk of abuse and neglect.

To understand how vulnerability impacts on the life of a child or young person, it is first important to understand a child's needs, including child safety, wellbeing and development.

2.2.1 Child safety, wellbeing and development

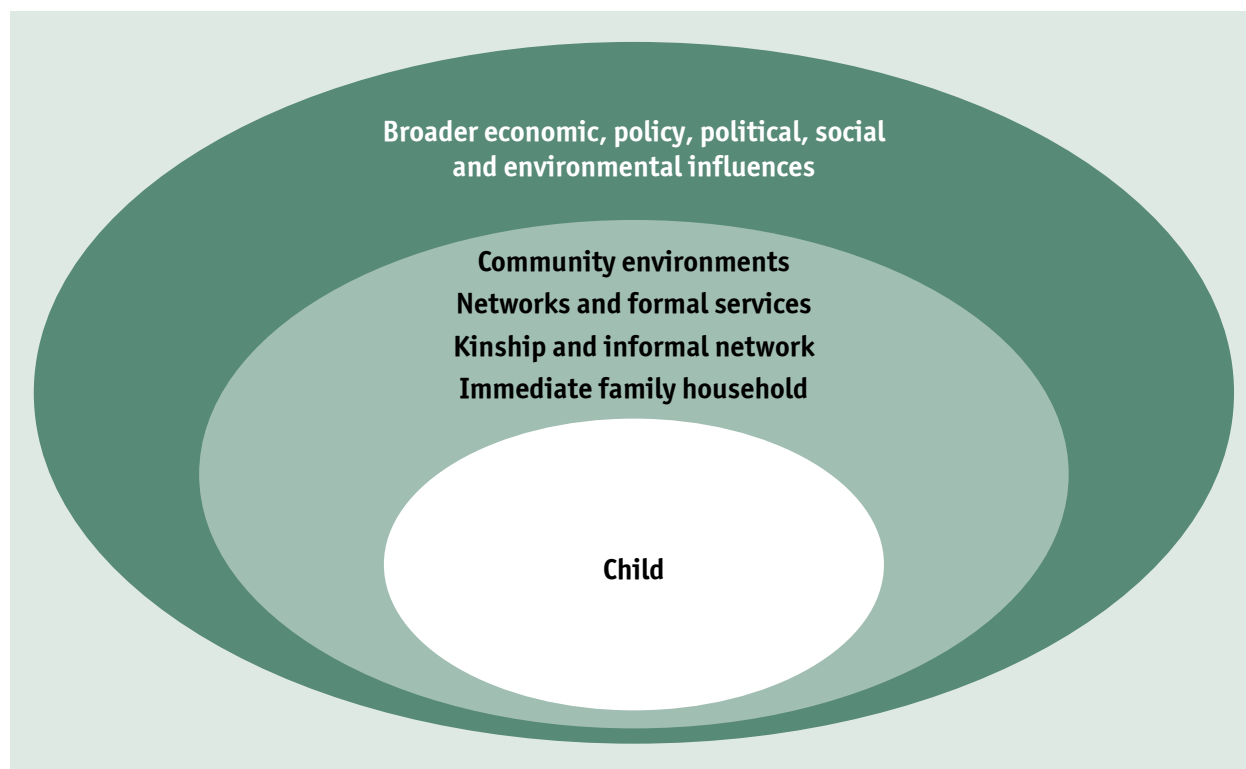
The United Nations *Convention on the Rights of the Child* – to which Australia is a signatory – outlines a universal set of standards by which all children should be treated in order for them to achieve their full potential for health and development. The convention spells out the basic human rights that children everywhere should have including: the right to survival; the right to develop to the fullest; and the right to protection from harmful influences, abuse and exploitation.

The convention recognises that a child's needs cannot be realised unless the responsible adults take the necessary action to make them a reality. This places responsibility on our society, through parents and caregivers, communities, organisations and governments, to acknowledge these needs and develop strategies for meeting them. A child's needs are considered further in Chapter 6 which sets out the Inquiry's policy framework.

2.2.2 A framework for understanding child development

For governments to put these goals of child safety and wellbeing into practice requires an understanding of how a child and young person develops. Child development expert, Urie Bronfenbrenner (1979) developed a seminal conceptual framework for understanding the ecology of child development and wellbeing that has become an important tool. As shown in Figure 2.1, the ecological model seeks to understand the relationships between a child's wellbeing and development, and their broader environment. It demonstrates that children develop through interactions with family, friends, and between their family and broader social and community environments. Importantly, the model places the child at the centre, with family, community, and society surrounding the child.

Figure 2.1 The ecological model of child development



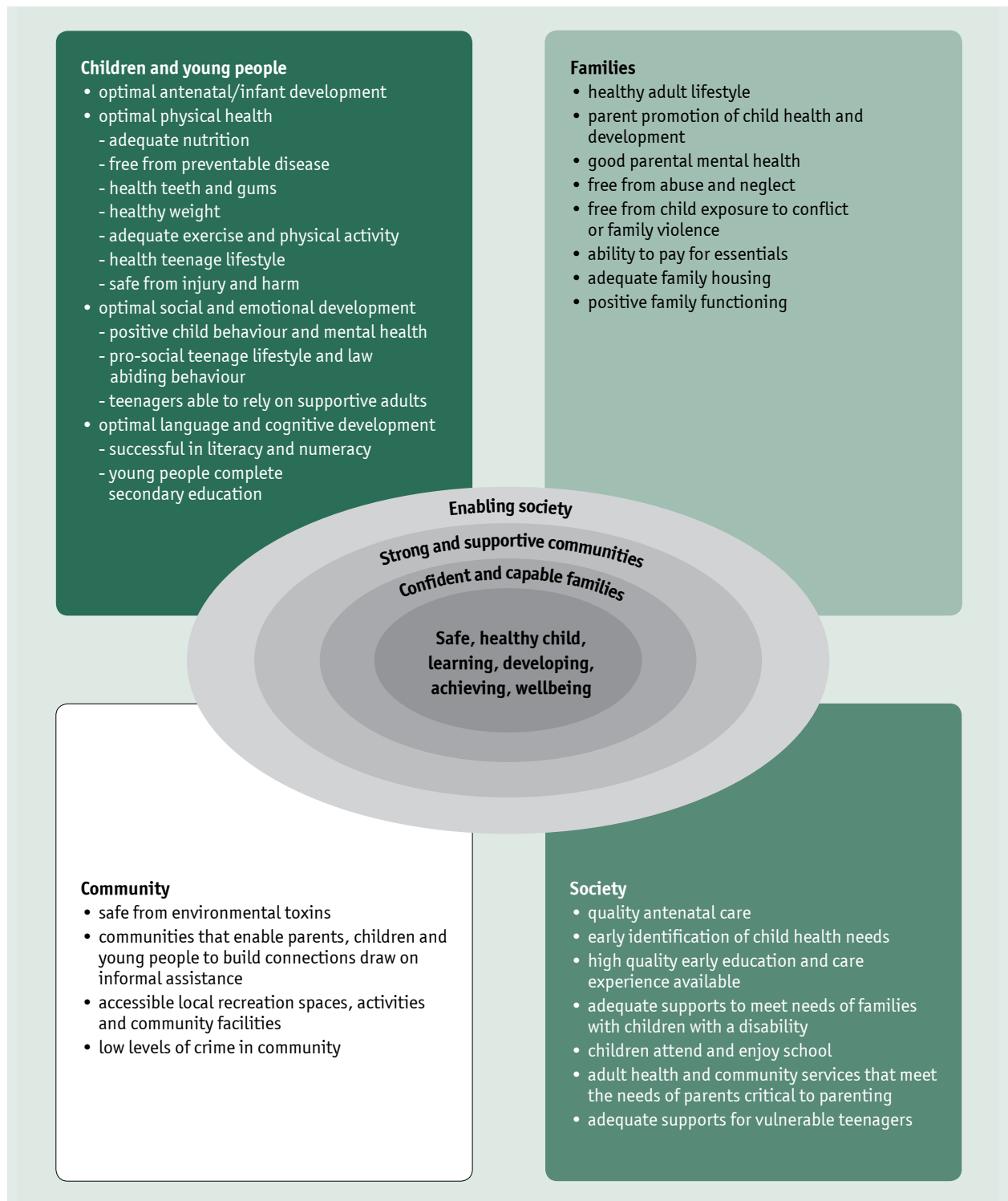
Adapted from Bronfenbrenner 1979

The benefit of this conceptual model of child development is that it shows the complexity of the various influences on a child’s development, as well as helping to understand the child’s perspective.

Recent work both in Victoria and at the national level has sought to expand on the understanding and commitment to child wellbeing by developing

a set of indicators and measures of child wellbeing and reporting on these measures. In Victoria the Department of Education and Early Childhood Development (DEECD) has, since 2006, published a series of reports called *The state of Victoria’s children*. Underpinning these reports is the Victorian Child and Adolescent Outcomes Framework set out in Figure 2.2.

Figure 2.2 The Victorian Child and Adolescent Outcomes Framework, 2006



Source: DEECD 2011a

This framework has been designed to reflect the ecology of childhood and depict the multiple spheres of influences and determinants of child safety, health, development, learning and wellbeing.

At the national level, the Australian Institute of Health and Welfare (AIHW) has reported on a set of headline indicators developed to monitor the health, development and wellbeing of Australian children and young people. The headline indicators for children are grouped into: health; early learning and care; and family and community. For young people the groupings include health status and wellbeing, factors influencing health, family and community, and socioeconomic factors (AIHW 2011e).

These frameworks perform the important task of integrating the broader ecological framework of child development with the characteristics of positive child health, development and wellbeing outcomes. Importantly, the frameworks assist, as is evident in Figure 2.2, in identifying the factors that impact or are linked to a child and young person's needs and outcomes and, where they are not present, give rise to greater levels of vulnerability, including child abuse and neglect.

2.2.3 Legislation in Victoria

For the majority of Victorian children, their safety, nurturing and development occurs within a family structure; however, governments also have a responsibility for the welfare of children. In Victoria, section 5 of Victoria's *Child Wellbeing and Safety Act 2005* sets out a number of principles relevant to the issue of child wellbeing including: societal aspirations for all children; key indicators associated with wellbeing; responsibilities; and the role of government. The principles enunciated in Victorian legislation reflect, in part, the ecological model of child development and wellbeing. These include:

- Society as a whole shares responsibility for promoting the wellbeing and safety of children;
- All children should be given the opportunity to reach full potential and participate in society irrespective of their family circumstances and background;
- Those who develop and provide services to children, as well as parents, should give the highest priority to the promotion and protection of a child's safety, health, development, education and wellbeing; and
- Parents are the primary nurturers of a child, and government intervention into family life should be limited to that necessary to secure the child's safety and wellbeing; however, it is the responsibility of government to ensure the needs of the child are met when the child's family is unable to provide adequate care and protection.

The following section provides evidence that there are certain risk factors that influence the likelihood of a child being vulnerable to child abuse and neglect.

2.3 Factors that cause a child to be vulnerable

A risk factor is usually defined as a variable that increases the probability of future negative outcomes (Durlak 1998, p. 512). There are multiple risk factors that contribute to negative outcomes for children and it is usually the accumulation of factors rather than a single risk factor that affects outcomes. However, risk factors are not predictive, as many children and young people exposed to multiple risk factors do not suffer poor outcomes due to the presence of protective factors, such as good parent-child relationships and attachment and social support networks (Durlak 1998, p. 516).

Durlak lists eight poor outcomes for children, including: physical abuse; behavioural problems; school failure; poor physical health; physical injury; pregnancy; drug use; and AIDS. Durlak found that several of these outcomes, including child physical abuse, had common risk factors. He also established that these risk factors occurred across the five risk domains of the community, school, peer group, family and the individual (Durlak 1998, p. 514). This has important implications for government interventions, as programs that successfully intervene in risk factors common across these domains are likely to prevent multiple problems simultaneously.

There is a wide body of international research on the risk factors that are associated with child abuse and neglect and that increase a child's vulnerability. However, as the researchers have emphasised, while many of these risk factors are evident in the overall population and often present in cases of alleged and substantiated child abuse and neglect, their presence does not automatically lead to or predict incidents of child abuse and neglect. The main risk factors related to child abuse and neglect are commonly categorised into three main domains:

- Parent/family or caregiver factors;
- Child factors; and
- Economic, community and societal factors.

It is also recognised that child abuse and neglect can arise from the interaction of different factors across these domains. These domains have been used to structure an examination of the most common or prevalent risk and protective factors that are associated with child abuse and neglect.

2.3.1 Risk factors arising from a parent, family or caregiver

The risk factors arising from parent, family and/or caregiver relationships include:

- History of family violence;
- Alcohol and other substance misuse;
- Mental health problems
- Intellectual disability;
- Parental history of abuse and neglect; and
- Situational stress.

History of family violence

Undoubtedly, witnessing family violence in itself amounts to child abuse. This is a fairly recent view in the academic literature (Goddard & Bedi 2007). The impact of family violence on children is increasingly being recognised as an issue requiring greater government effort, with the Commonwealth Government recently enacting family law amendments to broaden the definition of child abuse, by including a child being exposed to family violence as psychological harm, to offer more protection (*Family Law Legislation Amendment (Family Violence and Other Measures) Act 2011*). In addition, family violence can have the effect of making a child fearful and compliant, with the effect of inhibiting disclosure and preventing reporting. A history of family violence may indicate a risk of further violence.

Family violence has different effects on children at different ages. For example, family violence during pregnancy may cause the miscarriage of a developing foetus, or bring on premature birth or disability. For a young child experiencing family violence, this can impact on their physical and psychological development and may lead to behavioural problems.

Family violence also has a significant and detrimental effect on parenting capacity. Not only can it cause physical injury and ill health, it can lead to mental health problems, substance misuse, homelessness and housing instability for those who are fleeing violence (Bromfield et al. 2010, p. 5).

Alcohol and other substance misuse

The effects of substance misuse on parenting are well documented. The substances that are of concern in relation to parenting include alcohol, cocaine, opiates, amphetamines, marijuana and overuse of prescription medicines (Bromfield et al. 2010, pp. 23).

Substances work by affecting the brain, thereby impairing senses, perception, physical ability and judgment. As outlined by Dawe et al. (2008, p. 3), there is a high risk of neglect for children whose parents misuse substances. For example, children may not have basic needs met such as regular meals, a clean and safe environment and an emotionally nurturing home. Dawe et al. (2008, p. 3) also notes that children can be at risk of physical and emotional abuse if a parent is experiencing intoxication or withdrawal.

Mental health

The symptoms of mental health problems can impact upon a parent's perception, cognition and ability to communicate. Mental illness can manifest in a parent being withdrawn, inconsistent, less active with children and emotionally distant or unavailable (Hegarty 2005, in Bromfield et al. 2010, p. 10). For a child this can result in psychological stress and insecure attachment (Seifer & Dickstein 1993, in Bromfield et al. 2010, p. 11).

There are also risks of physical and psychological abuse if the symptoms of the illness manifest in the parent becoming violent, reactive or punitive. Importantly, it has been identified that children of parents with mental health problems are at risk of developing mental health problems of their own (Cowling 2004, in Bromfield et al. 2010, p. 11).

Parent/caregiver intellectual disability

Intellectual disability can negatively impact on parenting ability and contribute to other problems that affect the ability to parent effectively. A study showed that in Victorian child protection cases first investigated in 1996-97, cases in which a parent had an intellectual disability were almost twice as likely to be substantiated and more than three times more likely to be re-substantiated over the six-year period from 1996-97 to 2001-02 than child protection cases where parents did not have an intellectual disability (The Allen Consulting Group 2003, p. 10).

Parental history of being neglected or abused

A parent's history affects their ability to tend to the needs of their child. Parents who have lacked effective parental role models are at significant disadvantage when it comes to parenting their own children (Goldman & Salus 2003, p. 28). Lamont (2011, p. 5) points to evidence emerging from the United States National Longitudinal Study of Adolescent Health that parents who reported having been neglected in their childhood were 2.6 times as likely to report their own neglectful parenting behaviour than those who did not.

In a study by Pears and Capaldi, parents who had experienced physical abuse in childhood were significantly more likely to engage in abusive behaviours towards their own children or children in their care (Lamont 2010, p. 4).

Situational stress

A family's financial circumstances are known to have a major influence on a child's life chances and outcomes. Research based on the *Growing up in Australia* longitudinal study suggests that children aged four to five years from poor families are less likely to be 'school-ready' in terms of their cognitive and social-emotional development than children from non-financially disadvantaged families (Hayes et al. 2011, p. 17). Further, these developmental differences remained when the children were followed up two years later. This confirms that the early years, prior to school entry, are particularly important for a child's development. Moreover, financially disadvantaged families may be unable to access support services at times of family stress.

In addition, maternal age is also known to be a risk factor in child vulnerability. A young mother and her child are likely to be more vulnerable because of the frequently associated social stresses of single parenthood at a young age.

2.3.2 Risk factors arising from the child

The risk factors arising from a child's particular characteristics include:

- The age and gender of the child; and
- Health and disability factors.

The age and gender of the child

While the relationship between the age of a child and risk of abuse and neglect is not clear cut, it is an important factor to consider. For example, infants and very young children need constant care, and their early development is critical to their later life chances. As Shonkoff and Phillips (2000, p. 5) demonstrated, early childhood development – including linguistic and cognitive gains, as well as emotional, social, regulatory, and moral capacities – can be seriously compromised by the child's environment.

There is an inverse relationship between the age of the child and the risk of experiencing neglect, which does not exist for physical, emotional or sexual abuse. That is, infants are much more vulnerable to neglect than older children because of their almost complete dependence on others for survival, their physical immaturity, under-developed verbal communication, and their social invisibility (Jordan & Sketchley 2009).

Teenagers, on the other hand, are at much greater risk of experiencing sexual abuse (Goldman & Salus 2003, p. 32).

In relation to gender, there is evidence to suggest that girls are far more likely to be a victim of child sexual abuse than boys, with boys somewhat more likely to be physically abused than girls (Irenyi et al. 2006, p. 5).

The prevention of sexual abuse needs to be tackled differently from neglect and other types of abuse such as emotional and physical abuse. Evidence overwhelmingly indicates that the majority of child sexual abuse is perpetrated by males. In contrast to other types of abuse, research suggests that a greater number of child sexual abuse offences are perpetrated by adults who are not the primary caregiver (Lamont 2011, p. 3). Nonetheless, a large majority of the perpetrators were known to the victim. Findings from the Australian Bureau of Statistics (ABS) *Personal Safety Survey 2005* (ABS 2006c) indicated that for participants who had experienced sexual abuse before the age of 15, 13.5 per cent identified that the abuse came from their father/stepfather, 30.2 per cent was perpetrated by another male relative, 16.9 per cent by family friend, 15.6 per cent by an acquaintance/ neighbour and 15.3 per cent by another known person (Lamont 2011, p. 3).

Health and disability and development factors

Premature or medically fragile infants and those with genetic or other congenital abnormalities can suffer from: low birth weight; feeding, settling and sleeping difficulties; prolonged and frequent crying; and developmental delay, and they may have complex medical needs. All these factors have an impact on the relationship between infants and their parents. The vulnerability of a sick infant or an infant with a disability can result in heightened stress for parents and, if they do not have the support or emotional, social and financial resources required to manage this stress, the infant's risk of neglect or abuse is also heightened (Jordan & Sketchley 2009).

There is a significant breadth of evidence (Goldman & Salus 2003; Irenyi et al. 2006) that suggests children with physical or intellectual disabilities, or behavioural difficulties, are more likely than other children to come into contact with the statutory child protection service. Childhood disability can increase the risk of child abuse and neglect, and also be the result of child maltreatment.

2.3.3 Risk factors arising from economic, community and societal factors

The risk factors arising from a child's community and society include:

- Social exclusion and lack of social inclusion; and
- Differing social norms and values.

Social inclusion and exclusion

Although the concepts of social inclusion and social exclusion are clearly related it is important to note that they are not opposites. The term social exclusion is used to demonstrate the lived experience of social disadvantage, which goes beyond financial difficulties and includes barriers to participation and connectedness (Saunders et al. 2008). On the other hand, social inclusion is often conceptualised in terms of 'opportunities'. The Australian Government has highlighted five key domains of opportunity that assist people to be socially included. They include the opportunity to: secure a job; access services; connect with family, friends, work, personal interests and local community; deal with personal crisis; and have his or her voice heard (Australian Social Inclusion Board 2008).

To this end, social inclusion may be understood as the pursuit of creating more opportunities to participate and connect, whereas social exclusion is more focused on understanding the nature of disadvantage. Social exclusion may contribute to child abuse and neglect because parents have less material and emotional support, lack positive parenting role models, and feel less pressure to conform to social norms relating to parenting.

Communities influence the outcomes of vulnerable children and young people through social support, access to local services and amenities and the opportunity to participate in the broader community. Young people in disadvantaged areas report having less access to community facilities or opportunities to engage with their community (DEECD in press, p. 16). In areas of socioeconomic disadvantage children fare less well than other children against many measures. They are more likely to:

- Be an unhealthy weight;
- Have emotional and behavioural problems;
- Be developmentally vulnerable at school;
- Experience bullying; and
- Be involved in anti-social or criminal behaviour (DEECD in press, p. 17).

Social norms and values

The social norms of a particular community have a direct bearing on the treatment of children. Societal attitudes towards parenting and children continue to evolve as new generations of parents and children emerge. For example, the use of physical discipline is now less accepted than was once the case. The wave of evidence that has emerged over the past decade regarding the importance of parent-child attachment for a child's cognitive and emotional development has had the effect of increasing the public's awareness of the importance of good parenting. In parallel, there has been an emphasis by contemporary society on the importance of human capital, and more specifically encouraging and enabling citizens to be productive and valuable contributors to both society and the economy. These two strands of thought have led to a much greater focus on the need to protect children.

Interaction of factors

The presence of the above factors that cause vulnerability may be concurrent. For example, family violence is commonly associated with alcohol misuse; situational stress is a key contributor to any measure of social exclusion, and parental mental health problems may be linked to intergenerational abuse. There is a multidimensional and multilayered relationship between the risk factors described, and their impact on the outcomes of children and young people. In addition, vulnerability is not static. A child or young person may experience periods of vulnerability at different stages of their life, depending on changing family circumstances and their developmental needs.

Aboriginal children and young people

It is important to note that all of the above factors also apply to Aboriginal children and young people. However, many Aboriginal children and young people in Victoria face challenges many in the non-Aboriginal population are less likely to experience. For example, a high proportion have certain health problems, high rates of victimisation and are physically harmed and threatened; many report experiencing discrimination on a daily basis. These experiences are risk factors for Aboriginal children's health and wellbeing. Many Aboriginal children, young people and families experience cumulative risk factors and this is a challenge to the current service system, which is intended to support these children and families. These factors are discussed in detail in Chapter 12.

2.4 Evidence of risk factors in Victoria

Victoria is the second most populous state in Australia. There are an estimated 1.2 million children and young people aged 17 years and under in Victoria, compared with a national figure of almost 5.1 million (ABS 2011, tables 52 & 59). This represents 21.9 per cent of the total Victorian population and 24.1 per cent of all children aged 17 years and under in Australia.

Associated with the Victorian Child and Adolescent Outcomes Framework presented at Figure 2.2, DEECD has produced a number of *The state of Victoria's children* reports which contain data on the agreed indicators of the overall health of Victoria's children. The latest report for all Victorian children and young people relating to 2010, concluded that:

- The overwhelming majority of Victorian children are safe, well, secure and are able to pursue their potential and that Victorian children fare well in comparison with the rest of Australian children on measures such as health, socioeconomic status and financial hardship; and
- 90 per cent of children live in families with healthy family functioning, characterised by family members discussing feelings, making joint decisions and supporting, trusting and accepting each other (DEECD in press, p. 15).

Despite these generally positive statistics, *The state of Victoria's children* reports and other data analysed in this section point to the presence of factors that can be associated with or lead to children and young people becoming vulnerable.

The Inquiry notes that some of the data presented in this section, such as the figures on families given above, is collected from qualitative surveys. The Inquiry notes that this data only represents the information that people were willing to provide, and should be considered an estimate due to the methodological limitations of self-reporting. As such, the prevalence of risk factors in the Victorian community (discussed below) is probably an under-representation of the true scale of these factors.

2.4.1 Evidence of risk factors arising from a parent, family or caregiver

History of family violence

It is difficult to gain an accurate measure of the true prevalence of family violence in the community, as incidents have to be reported to police or another authority in order to be counted. Despite this the official statistics are still alarming: There were 35,720 recorded family violence incidents in Victoria during 2009-10 (some of these incidents may have involved the same families): and

- In 40 per cent of these cases children aged under 16 witnessed the violence. The number of children listed as aggrieved family members (victims) in family violence intervention orders has increased dramatically over the past five years (DEECD in press, p. 1,516).

In approximately 65 per cent of Victorian family violence incidents recorded by police between 1999-2000 and 2005-06, at least one child was recorded as present during the incident (DEECD 2009c, p. 127). In the most recent ABS *Personal Safety Survey* (conducted in 2005), 57 per cent of women who experienced violence by a current partner reported having children in their care at some time during the relationship, and 34 per cent said that these children had witnessed violence (ABS 2006c). These figures demonstrate the significance of the relationship between family violence and the need to protect children.

Pregnant women have been identified as a group at greater risk of experiencing family violence (Phillips & Park 2006). In a study of 400 pregnant women from a diverse range of backgrounds attending The Royal Women's Hospital antenatal clinic in Melbourne, it was found that 20 per cent of women reported experiencing violence during their pregnancy and that they did not disclose this to their health care professionals (Walsh 2008).

Alcohol and other substance misuse

Alcohol

Parental/caregiver alcohol misuse or abuse is a proven risk factor that may cause a child or young person to become vulnerable. *The state of Victoria's children 2010* report states that:

- One in 10 Victorian parents with dependent children consume alcohol at levels that are risky (DEECD in press, p. 232).

Alcohol misuse also contributes to the likelihood of family violence and is a risk factor for child abuse and neglect. A survey presented in a paper by the Alcohol Education and Rehabilitation (AER) Foundation (Laslett et al. 2010) shows evidence of the harm of alcohol in the family. The results show that 16 per cent of Australians have been affected by the drinking of someone they live with. Five per cent of the sample reported that children they live with or have parental responsibility for have been affected by another's drinking (p. xviii). Parent or caregiver drinking may affect children along a spectrum of severity, from inability to take a child to a morning sports match due to a hangover, to the other end of the spectrum where a parent may not be able to adequately feed or clothe a child because of their drinking (Laslett et al. 2010, p. 95).

Research by Dawe et al. (2008), presented in the AER paper, estimated that:

- 13.2 per cent or 451,621 children aged 12 years or under are at risk of exposure to binge drinking by at least one adult in Australian households (Laslett et al. 2010, p. 98).

However, the paper points out that this is the upper limit of children who may experience negative effects because it cannot be assumed that all heavy drinkers may cause harm to their children.

In a study of parents in treatment for their alcohol and drug dependencies, parents reported that during times of alcohol or drug use they were more irritable, intolerant or impatient towards their children, and that they were less responsive to their children's needs and let go of routines, including getting their children to school (Laslett et al. 2010, pp. 98-99).

Drugs

National surveys on drug use and drug trends generally do not collect information on parental status, therefore an accurate estimate of the number of children living in households with substance misuse is difficult to obtain. Despite this, a study reviewed various data sets to provide some indication of the prevalence of drug use among parents. The results found that just over 2.3 per cent of children aged 12 years and under were living in a household containing at least one daily cannabis user and 0.8 per cent were living with an adult who used methamphetamine (Dawe et al. 2008, p. 5). It is thought that this data under-represents the problem because data collected from household surveys may not expose the full extent of drug use in the community.

This data shows that the number of parents across Australia using drugs is quite small compared with those parents using alcohol at risky levels. However, the prevalence of drug use in child protection cases in Victoria shows why drug use is such a crucial risk factor in vulnerability. The Department of Human Services (DHS) has not collected data on the existence of substance misuse in child protection cases for some time, an issue which is discussed further in Chapter 4. However, despite the age of the data, it is notable that in the year 2000-01, 33 per cent of parents involved in substantiated cases of child abuse and neglect experienced problems with substance abuse (as distinct from alcohol abuse) (Dawe et al. 2008, p. 5).

Mental health

Poor parental mental health is a risk factor for a range of negative child and adolescent outcomes. The most recent estimates based on ABS data suggest that between 21.7 per cent and 23.5 per cent of children in Victoria (approximately 250,000 children) are living in households where a parent has a mental illness (DEECD 2009c, p. 123).

Poor mental health of parents co-existing with other risk factors, such as low family income and low levels of parent education, often leads to poor outcomes for children and young people (DEECD in press, p. 39).

Postnatal depression occurs in the months following childbirth and may impact on an infant's emotional and social development. Postnatal depression can also impact on any older children as the depression may impair the mother's ability to be involved in her children's lives. In Victoria the prevalence of postnatal depression among women surveyed in the three to nine months after birth has been measured as approximately 15 per cent, as reported by those women surveyed (DEECD 2009c, p. 123).

Parent/caregiver intellectual disability

There is no accepted definition of what constitutes an intellectual disability; however, in Australia (and most Western countries) a person with an IQ of less than 70 or 80 is deemed to have an intellectual disability (Lamont & Bromfield 2009, p. 2).

The data on parents living with an intellectual disability is not up to date. However, available data shows that parents with an intellectual disability represent a modest proportion of all parents, estimated to be in the range of 1 to 2 per cent. However, parents with an intellectual disability are substantially over-represented in child protection cases. In Victorian child protection cases first investigated in 1996-97 cases in which a parent had an intellectual disability were almost twice as likely to be substantiated, and more than three times more likely to be re-substantiated than cases where parents did not have an intellectual disability (The Allen Consulting Group 2003).

In 2007-08, parental intellectual disability was a characteristic in 12.5 per cent of cases reviewed by the Victorian Child Death Review Committee (VCDRC) (2008). This over-representation is a characteristic in other jurisdictions and internationally (Lamont & Bromfield 2009, p. 2).

It is generally acknowledged throughout the literature the number of parents in the community with an intellectual disability are increasing. Reasons for this include better opportunities for community living for people with an intellectual disability, the banning of involuntary sterilisation and anti-discrimination laws (Lamont & Bromfield 2009, p. 2).

Parental history of being neglected or abused

The research indicates that abuse and neglect of children and young people is under-reported in the community, so it is difficult to provide data on the true prevalence of victims among people who are now parents. Data from the ABS Personal Safety Survey conducted in 2005 (ABS 2006c) draws on self-reports of child physical and sexual abuse by adults based on recollections from their childhood. As this information is based on self-reports, it is considered a better estimate than looking at child protection reports for evidence of victimisation across the population. The survey found that:

- The proportion of women and men who experienced physical abuse before the age of 15 was 10 per cent and 9.4 per cent respectively; and
- Women were much more likely to have been sexually abused than men. Before the age of 15, 12 per cent of women had been sexually abused compared to 4.5 per cent of men (ABS 2006c).

Given this survey did not collect data on abuse that occurred past the age of 15, it is likely the numbers are actually much higher. In addition, this survey did not ask questions about childhood neglect experienced by survey respondents. What this data indicates is that there are significant percentages of adults in the Australian population who were subjected to either physical or sexual abuse as children. Where these adults become parents, evidence suggests that they are more likely to abuse or neglect their own children (Lamont 2010, p. 4). This does not mean that most will do so, however.

Situational stress

Access to higher income has been associated with better outcomes for children and young people; conversely, children and young people in families with limited incomes can face challenges in having their needs met. The most recent ABS Household Income and Income Distribution survey data estimated that the average level of gross household income in Victoria was \$66,872 per year (ABS 2009b). Based on this data, *The state of Victoria's children 2010* report separates the data on households where income is under \$60,000 and over \$60,000. The report shows that the majority of children aged 12 years or under (60.2 per cent) live in families with access to sufficient economic resources (over \$60,000 in annual income). Of concern, however, is the 6.1 per cent of children living in families with access to under \$20,000 per year (DEECD in press, p. 33).

The state of Victoria's children 2010 report shows the proportion of parents who have high or very high levels of psychological distress by sex, annual household income, education level and employment status. The Report shows that the stand out categories where psychological distress is most prevalent are households where family income is under \$20,000 (32.7 per cent of parents) and in those households where parents are unemployed (29.8 per cent of parents) (DEECD in press, p. 39).

The previous section of this chapter discussed the situational stress that can arise from being a young mother. Motherhood in teenage years is associated with an increased risk of poor social, economic and health outcomes. ABS data shows there were 1652 births to teenagers aged 15 to 19 years in Victoria in 2007. The fertility rate for teenagers aged 15 to 19 years in Victoria has fallen gradually over the past 10 years from 12.8 per 1,000 females in 1996 to 9.7 in 2006. In addition, the fertility rate for 15 to 19 year olds in Victoria is consistently lower than for the whole of Australia (DEECD 2009c, p. 56).

Interaction of parent/caregiver risk factors

The interaction and accumulation of risk factors is very important when understanding vulnerability and the risk of child abuse and neglect. The 2011 VCDRC annual report found that, of the 28 child deaths reviewed in the year April 2010 to March 2011, parental substance use presented as the most prevalent risk factor in the cases reviewed, followed by parental mental illness and family violence. The VCDRC also found a significant co-existence and interaction of the multiple parental risk factors of mental illness, family violence, substance use and intellectual disability among the families (VCDRC 2011, p. xii).

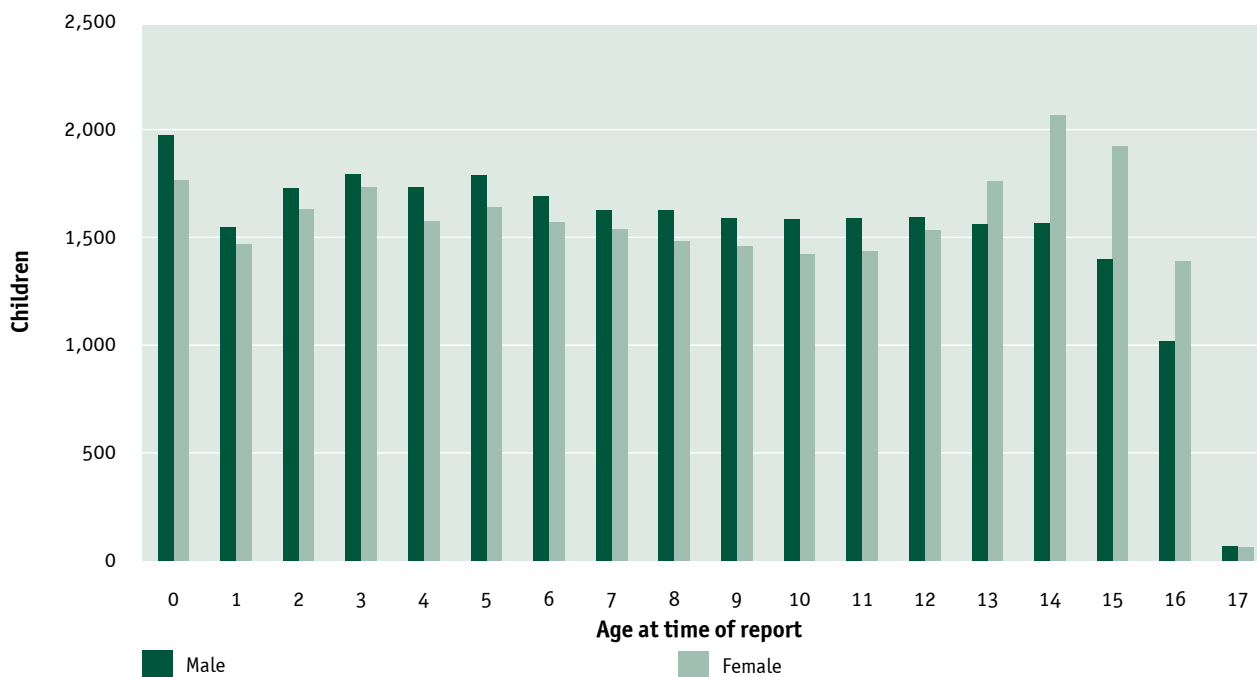
2.4.2 Evidence of risk factors arising from the child

The age and gender of the child

The Inquiry analysed the number of children in Victorian child protection reports during 2009-10 from the perspectives of age, gender and type of alleged abuse, to provide some further approximate information on the likely variations in the incidence and nature of vulnerability as reflected in alleged child abuse and neglect.

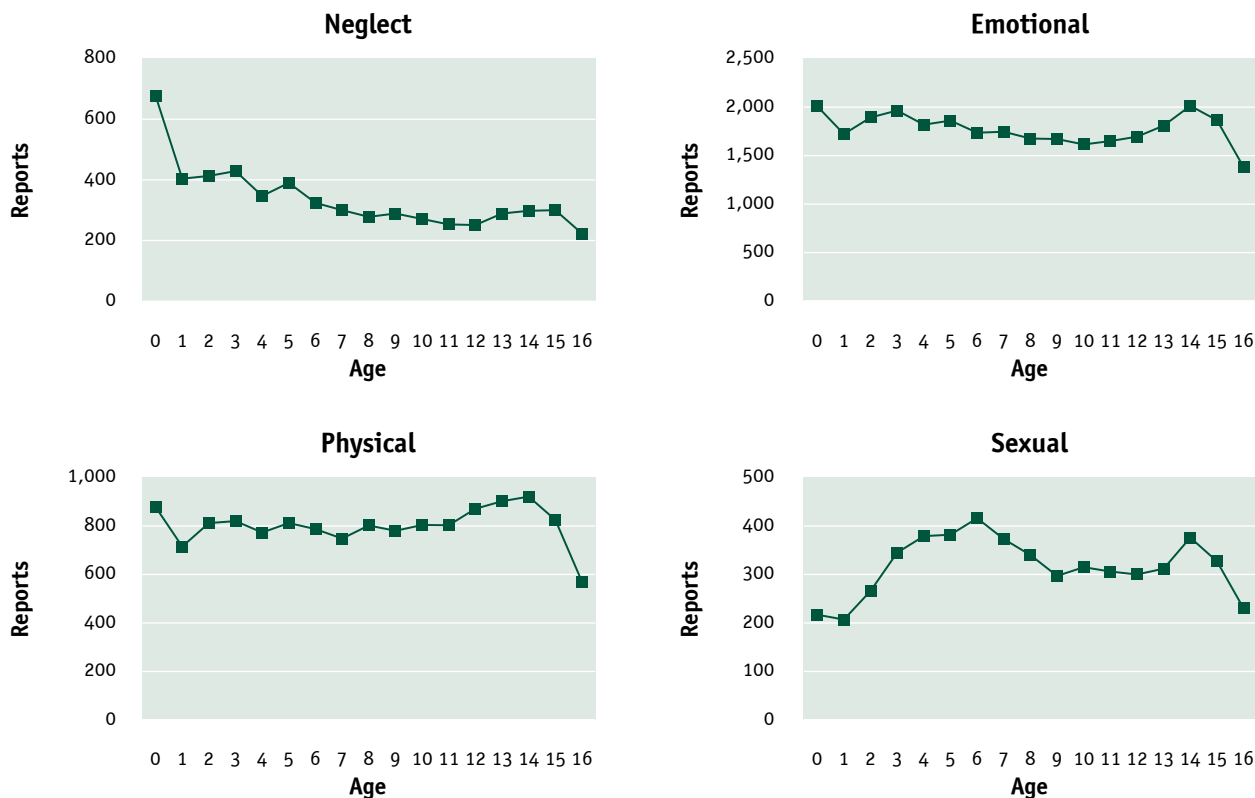
Figure 2.3 shows the age and gender of the 41,459 children who were the subject of a child protection report in 2009-10. It shows a higher number of reports for both male and female children aged under one year. Second, while the number of males and females who were the subject of a report in 2009-10 was relatively even, a slightly higher number of reports were received for male children aged 0 to 12 and then a higher number of reports for female children aged 13 to 16.

Figure 2.3 Children who were the subject of a child protection report, Victoria, 2010-11



Source: Information provided by DHS

Figure 2.4 Children who were the subject of a child protection report, by age and alleged type of harm, Victoria, 2010-11



Source: Information provided by DHS

Note: Figure shows age at time of child's first child protection report in 2010-11

Figure 2.4, shows the number of children who were the subject of a report in 2010-11, by age and by alleged type of harm. It shows that:

- Several of the alleged types of harm show a higher number of reports for infants, including physical harm, psychological harm, health or development reasons and concern for wellbeing; and
- Reports relating to sexual harm are lower for children aged under three than those aged over three.

Health and disability and development factors

The previous section discussed why health and disability problems among children and young people are a risk factor to abuse and neglect including, among other things, a lack of parent-child attachment and additional stresses on the parents.

It is difficult to provide an accurate estimate of the number of Victorian children who live with a disability due to the lack of an agreed definition of what constitutes a disability. However, data from a 2003 ABS survey on disability estimates that 7 per cent of Victorian children are living with a disability (DEECD in press, p. 32).

Children with a disability are known to be at higher risk of abuse; however, no population-based Australian studies have been conducted on these children. Two American surveys discussed in *The state of Victoria's children 2008* report indicate that children with a disability are between 1.7 and 3.4 times more likely to be maltreated than other children (DEECD 2009c, p. 85).

2.4.3 Evidence of risk factors arising from economic, community and societal factors

Social inclusion and exclusion

Community participation

Research indicates that participation by children or young people in the community has a positive effect on the individuals and the community as a whole (DEECD in press, p. 240). Common methods of participation by young people in Victoria include organised sports and arts and cultural activities. The participation rate in organised sport and/or dancing by Victorian children aged 5 to 14 years has increased from 63 per cent in 2000 to 72 per cent in 2009 (DEECD in press, p. 240). However, the report found that:

- Most Australian children who did not participate in organised sport in 2009 were from single-parent families where their parent was not employed (63 per cent of these children were not participating); or
- Were from two-parent families where both parents were unemployed (27 per cent of these children not participating) (DEECD in press, p. 241).

Perception of Safety

There is also evidence to suggest that people's perception of safety within their neighbourhood is important to their sense of belonging and involvement in their local community. Around one-fifth of Victoria's young people report living in neighbourhoods where there is crime (including drugs, other crimes or fights). The largest percentages of these neighbourhoods were in the most socioeconomically disadvantaged areas (DEECD in press, p. 242).

Local facilities

The quality, quantity and diversity of facilities in the local neighbourhood are also important to outcomes for children, young people and their families. This includes access to recreation, transport, employment and educational and health facilities. Under half of Victoria's young people (48.3 per cent) perceive their neighbourhoods to have good recreational facilities. About two-thirds of Victorian children (68.6 per cent) and young people (73.4 per cent) live in neighbourhoods with close and affordable public transport. However, young people living in regional Victoria and those living in socioeconomically disadvantaged areas are more likely to report having difficulty accessing public transport in their neighbourhoods (DEECD in press, p. 242).

Social exclusion

Families referred to the statutory child protection service are commonly living within a broad context of isolation and socioeconomic disadvantage. The Social Exclusion Unit in the UK describes social exclusion as manifesting through multidimensional and interlinked problems – primarily poverty, but can also include unemployment, poor housing or homelessness, crime, substance addiction, teenage pregnancy, victimisation, poor education or job skills, poor health, lack of social capital and family dysfunction (Social Exclusion Unit, in Bromfield et al. 2010, p. 13). A 2007 study found that:

- The characteristics of the socially excluded mirror many of the common risk factors for child abuse and neglect; and
- The majority of families involved with the statutory child protection service are socially excluded (Bromfield et al. 2010, p. 13).

Families accessing family support services often experience multiple risk factors and are socially excluded. Since the introduction of Child FIRST in Victoria in 2005, there has been a steady increase in the number of cases and children involved in the program, reaching a total of 29,000 cases and 63,000 children in 2009-10. Estimates from 2009 indicate that approximately 65 per cent of families using Victorian Government-funded early parenting assessment and skills development services have four or more risk factors, including mental illness, family violence, substance use, being teenage mothers, financial stress, and parental disability (DEECD in press, p. 244).

Social norms and values

The social norms of a particular community have a bearing on the treatment of children. While on the whole the Victorian community has become less accepting of, for instance, family violence, there are some communities and subcultures where this behaviour is accepted as the norm. This is a significant risk factor to vulnerability in children and young people.

Negative attitudes towards women are more prevalent among children who witness or are subjected to violence (Morgan & Chadwick 2009, p. 6). There is a greater risk of violence against women in communities where the following attitudes or norms exist:

- Traditional macho constructions of masculinity;
- Notions that men are primary wage earners and the head of the household whereas a woman's place is in the home;
- Standards that facilitate peer pressure to confirm to these notions of masculinity; and
- Standards encouraging excessive consumption of alcohol (Morgan & Chadwick 2009, p. 6).

Just as negative attitudes towards women and witnessing of family violence may create a social norm for a particular individual or a community, so do social norms have an impact on alcohol consumption. Parental alcohol use has been found to increase the likelihood that adolescents would also consume alcohol (Hayes et al. 2004, p. 49). The Australian Temperament Project asked parents to report their tolerance of their adolescents' alcohol use, and compared these to adolescents' reports of alcohol consumption. This data showed that adolescents who drank alcohol were significantly more likely to have parents who allowed them to drink at home. The great majority (93.5 per cent) of the adolescents who reported drinking alcohol at very high levels were allowed to drink at home (Hayes et al. 2004, p. 42).

Prevailing cultural norms regarding adolescent alcohol use also appear to exert a powerful influence. Young Australians perceive there to be considerable acceptance among parents and the broader community of youth alcohol use, and there appears to be powerful normative pressure towards youth alcohol use (Hayes et al. 2004, p. 54).

The social norms created around alcohol consumption are important when looking at vulnerability. Alcohol is both a risk factor on its own and a factor in other substance abuse and family violence. In socially marginalised communities where the prevalence of risk factors is intergenerational, the social norms created around such things as alcohol consumption and family violence can create a cycle of vulnerability.

Locational disadvantage and vulnerability

There are locational aspects to many of the factors of vulnerability presented above, with the prevalence of these factors influenced by the socioeconomic circumstances or remoteness of the communities that children live in. Communities further influence the outcomes of vulnerable children and young people through social support, access to local services and amenities, and the opportunity to participate in the broader community. Young people in disadvantaged areas report having less access to community facilities or opportunities to engage with their community (DEECD in press, p. 16).

As discussed in section 2.2 there are multiple risk factors that contribute to negative outcomes for children. Research sponsored by Jesuit Social Services, and undertaken by Professor Tony Vinson, titled *Dropping off the edge* (Jesuit Social Services submission) focused extensively on the issue of locational social disadvantage. The research uses 25 manifestations of social disadvantage in order to build a picture of the geographic distribution of disadvantage. In line with the findings of Durlak (1998), Vinson found that the indicators of

disadvantage inter-correlated with each other – if an area has a 'high' score on one factor (limited formal education, for example) it tends to have high scores on several other factors such as low income and long-term unemployment.

The pattern and distribution of risk factors associated with child abuse and neglect was described in the Jesuit Social Services' submission:

Child maltreatment distribution tends to be linked with a particular group of indicators that more than others help to define the outstandingly disadvantaged areas throughout Australia. These important indicators were:

- A local population's limited education and limited computer access;
- Low individual and family income;
- Limited work credentials;
- Poor health and disabilities; and
- Engagement in crime.

Where these attributes were presented in a concentrated form, then there, too, confirmed child maltreatment was prevalent. (Jesuit Social Services submission, p. 4).

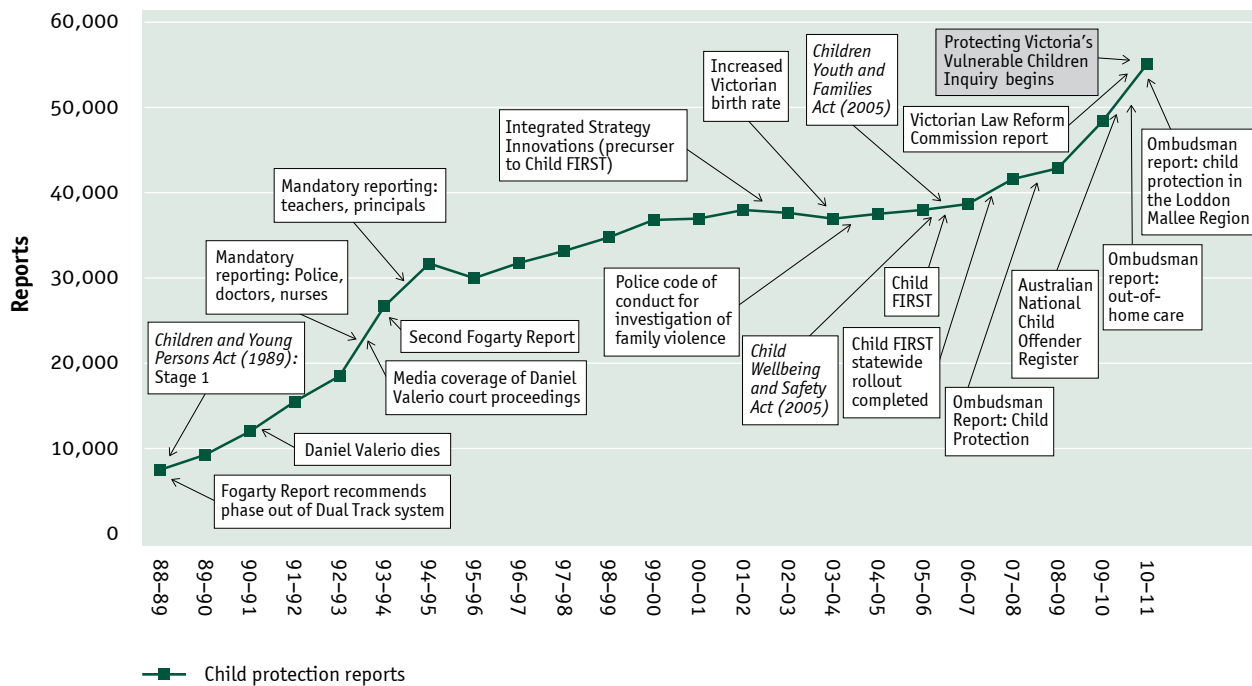
Professor Vinson collected data on 726 postcode areas of Victoria. Each of the 'top 40' (worst) rank positions were analysed, 1,000 positions in total (25 indicators of social disadvantage x 40 top (worst) ranked localities) and representing the 5 per cent most disadvantaged places on each indicator.

The results of this research provides evidence of the high degree of concentration of the Victoria's social disadvantage within a limited number of localities:

- 1.5 per cent (11) of postcode areas accounted for 13.7 per cent of the top 40 positions, a ninefold over-representation;
- 6.2 per cent (45) of postcode areas accounted for 30.3 per cent of the top 40 positions, an almost fivefold over-representation; and
- 10 per cent (72) of postcode areas accounted for 41.6 per cent of the top 40 positions, a fourfold over-representation (Jesuit Social Services submission, p. 31).

Identification of areas where risk factors for child abuse and neglect are concentrated enables government action to be focused more effectively. It provides compelling evidence that area-based services and strategies are necessary for the government to reduce the incidence and impact of child abuse and neglect. This is a theme in the Inquiry's deliberations and recommendations.

Figure 2.5 Child protection reports and significant events, Victoria, 1989 to 2010



Source: Information provided by DHS

2.5 Child protection reports

In Victoria, reports of suspected child abuse or neglect are made to DHS which then assesses the reports and intervenes accordingly. Chapter 3 discusses in detail the legal framework for reporting child abuse and neglect in Victoria, while Chapter 9 discusses DHS’ response to these reports.

In Victoria, like other states and territories, there are a large number of reports to child protection of suspected child abuse or neglect. Most of those reports are not substantiated and not all substantiated reports lead to intervention. The number of reports in Victoria has been increasing substantially in recent years.

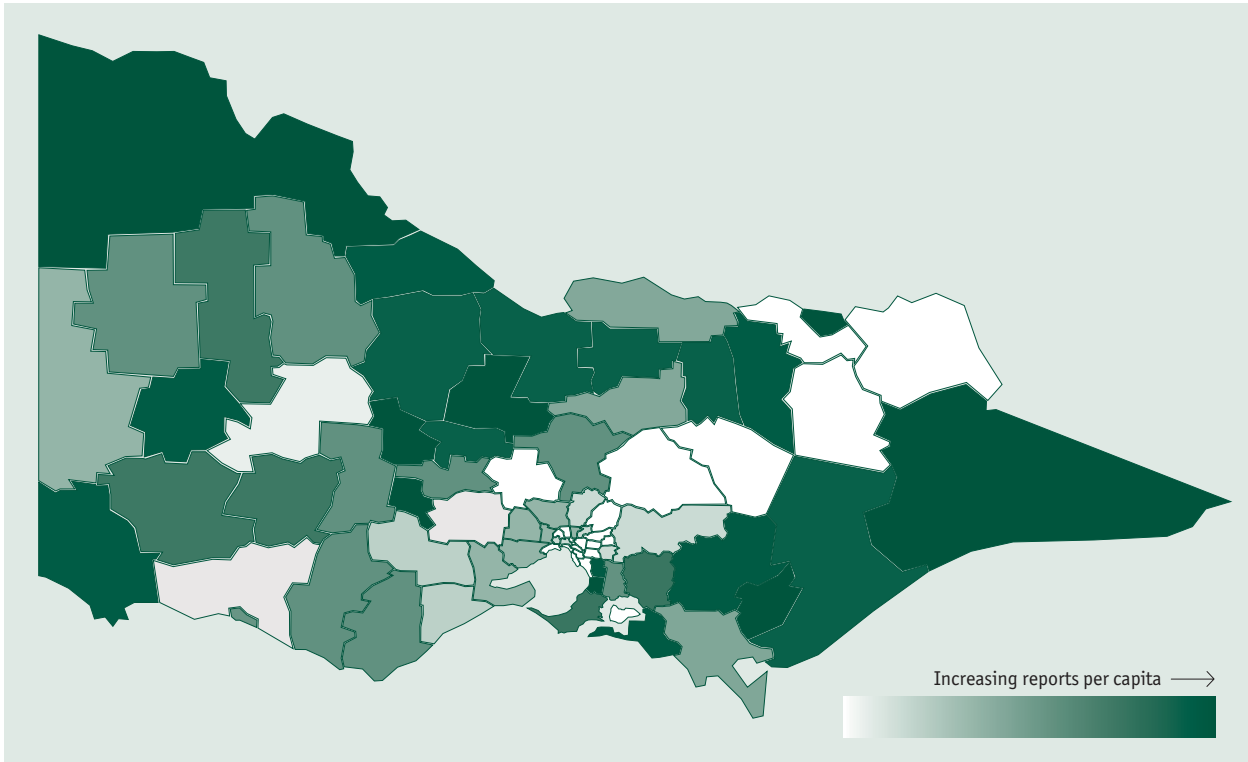
It is not possible to deduce from these reports the real rate of child abuse or neglect because it is generally assumed that fewer cases are reported than are occurring. Increased child protection reports can reflect: mandatory reporting requirements; an increased awareness of signs of abuse; a greater willingness to report; or wider definitions of abuse or neglect.

In the process of the Inquiry, DHS provided the Inquiry with de-identified unit data for all child protection reports in 2009-10. This data shows that, in 2009-10, 48,105 reports of suspected child abuse or neglect were made to DHS, involving around 37,500 children. Figures released more recently show the number of reports for 2010-11 increased to 55,000. The number of child protection reports in Victoria has grown substantially over the past two decades, over which time there have been significant changes to mandatory reporting requirements and the Victoria’s system for protecting children more generally.

Figure 2.5 maps the growth of child protection reports against key developments and events that have impacted on the statutory child protection service.

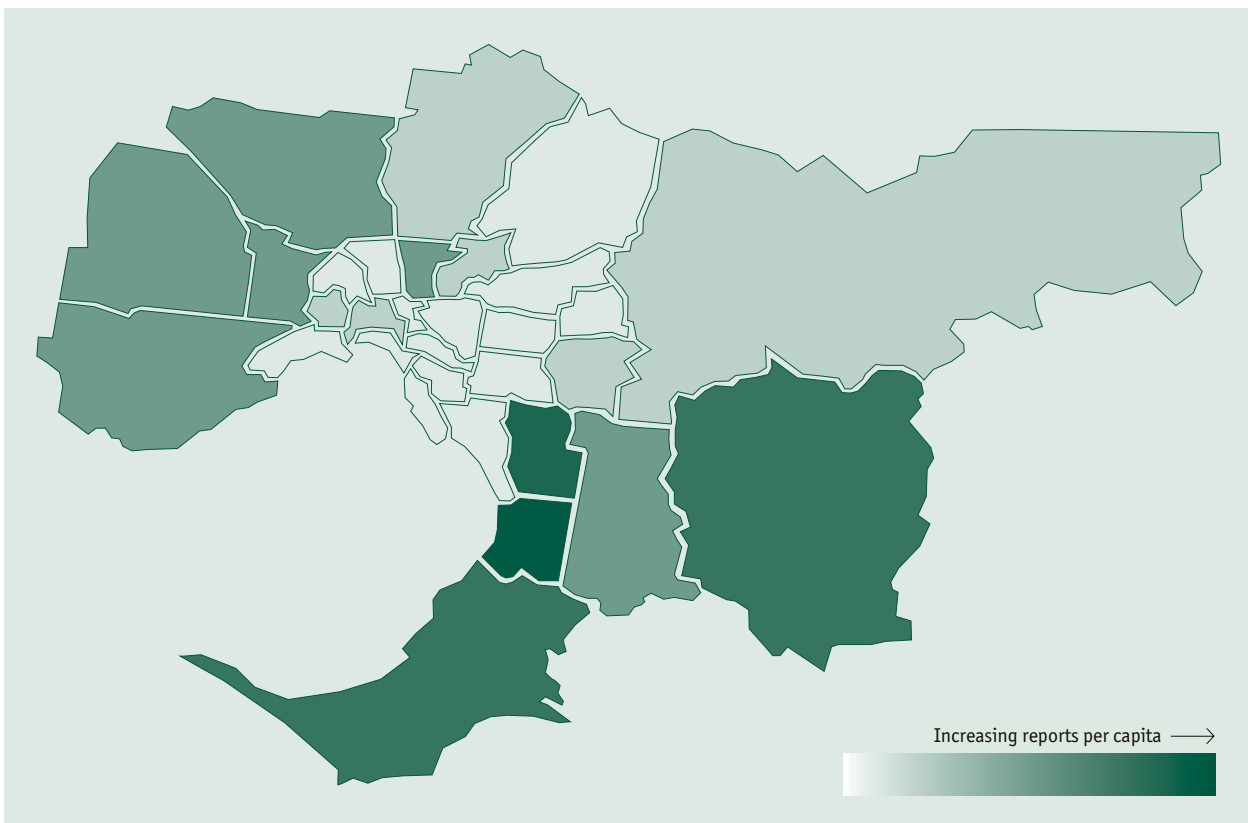
Despite these legislative and other changes that have affected the number of reports to statutory child protection, the Inquiry is concerned at the growing number of reports, given this is a reflection of significant community concern for vulnerable children and young people. Of particular note is the geographic concentration of child protection reports.

Figure 2.6 Child protection reports per capita, by local government area, Victoria, 2010–11



Source: Analysis of data provided by DHS

Figure 2.7 Child protection reports per capita, by local government area, Metropolitan Melbourne, 2010–11



Source: Analysis of data provided by DHS

2.5.1 Regional variation in child protection reports

The geographic distribution of the 2009-10 child protection reports for Victoria and metropolitan Melbourne are shown in Figures 2.6 and 2.7. Overall the rate of child protection reports is higher in regional Victoria than it is for metropolitan Melbourne but with significant variations. In regional Victoria the rate of reports is generally higher in the east and north-west of the state and some local government areas (LGAs) in central Victoria, but lower in the south-west (see Figure 2.6).

While the rate of child protection reports for metropolitan Melbourne is generally lower than regional Victoria, there are still significant variations in reports across the metropolitan area. Generally LGAs in the inner to middle east and south-east of Melbourne have lower rates of child protection reports than LGAs in the west or outer areas (see Figure 2.7).

The Inquiry analysed the number of child protection reports per capita by LGA, with another key measure of children's welfare, the Australian Early Development Index (AEDI), and also with the ABS Socioeconomic Indexes for Areas (SEIFA). The Inquiry found a strong correlation between reports per-capita and both of these measures. In areas where there are more child protection reports there are a greater proportion of children presenting as vulnerable in one or more of the AEDI domains. Similarly, child protection reports per-capita are higher in areas of high socioeconomic disadvantage, as measured by the SEIFA.

Finding 1

There are significant regional variations in the number reports of suspected child abuse and neglect per capita across the state to child protection.

There is a strong correlation between higher rates of child protection reports and children who are vulnerable in one or more Australian Early Development Index domains and in areas of high socioeconomic disadvantage.

2.5.2 Projected growth in child protection reports

In 2003 DHS estimated that 19.3 per cent of children born in 2003 would be the subject of a child protection report at some time before reaching the age of 18 – equivalent to about one in five children (Hyndman 2004, p. 3). The estimate was based on the number of children who were first the subject of a child protection report in 2002-03.

In 2002-03 there were 37,635 child protection reports, compared with 48,105 in 2009-10, a 28 per cent increase. More than half of the children subject to a child protection report in 2009-10 had previously been the subject of a report. Using the methodology adopted in 2003, the 2009-10 child protection data on the age of children and young people who were the subject of a report for the first time and relevant Victorian population data by age, estimates that were prepared for the Inquiry found that the likelihood of a child born in 2011 being the subject of at least one child protection report at some point before they turn 18 is 23.6 per cent – equivalent to almost one in four.

The Inquiry considered the implications of this estimate and the implications for Victoria. If nothing changes in the current arrangements to reduce vulnerability, then the fate of a significant number of children will be determined by the effectiveness of the response to a report to the statutory child protection service. The demand pressures placed on statutory child protection services will be unsustainable, making it difficult to identify and respond to children at high risk of serious abuse or neglect. The Inquiry considers throughout this Report that alternative approaches will be more appropriate and effective. Better early intervention strategies can assist to address this vulnerability before it manifests in the levels of abuse and neglect implicit in these estimates.

Finding 2

At the current rate of reporting of suspected child abuse and neglect, almost one in four children born in 2011 will be the subject of at least one child protection report before they turn 18.

Estimates were also prepared for the Inquiry of the likelihood of children being the subject of a child protection report before they turn 18, by local government area (LGA). These estimates show substantial variations in the likelihood of a child being the subject of a child protection report depending on the area that they live in. While the overall estimate for the state shows that 23.6 per cent of children will be the subject of a child protection report by the time they reach 18 years of age, there are some LGAs projected having rates of report of less than 10 per cent, while several have projected rates higher than 50 per cent. This is further evidence that area-based solutions by government, including significant increases in effort in certain locations, will be required to address the needs of vulnerable children and young people.

A substantiation of a report to DHS is a finding of abuse or neglect or a significant risk of abuse or neglect. Abuse or neglect has a significant impact on the child or young person, as well as a significant cost to the individual, society and the economy.

2.6 The impact and costs of child abuse and neglect

Australian-based research has provided evidence that early childhood abuse and neglect can lead to social disadvantage and exclusion which persists in adult life (Frederick & Goddard 2007). These experiences in childhood can be considered to begin a negative chain of events, which can lead to decreased opportunity to participate successfully in many areas of life – including education and employment – as well as increasing prevalence of physical and mental health problems and poverty (Seth-Purdie 2000, in Frederick & Goddard 2007, p. 332).

2.6.1 The impact of abuse and neglect

Chapter 8 discusses the effect of negative childhood experiences on brain development. Research compiled by Shonkoff and Phillips (2000) in their co-edited book titled *From neurons to neighbourhoods* indicates that human development is the result of an interaction of nature (biological factors) and nurture (experience factors). While a bad childhood does not necessarily lead to poor brain development, it is a significant risk. The Inquiry notes that effective early interventions can reduce risks and improve the developmental outcomes of young children.

As outlined in many of the submissions to the Inquiry and at Public Sittings, child abuse and neglect can result in major, devastating and long-lasting impacts on individuals. By only focusing on possible long-term effects it is impossible to fully capture and represent the immediate pain and suffering experienced by the children and young people who are abused and neglected. The available research indicates child abuse and neglect are associated with many adverse outcomes for the people concerned and for society more broadly. Factors associated with abuse and neglect in childhood include: poor health; poor social functioning and participation in society; poor educational attainment and labour market outcomes; homelessness; delinquency and crime; adult victimisation and early death. These outcomes have social and economic costs. The US Center for Disease Control published findings of a study that showed a direct link between child abuse and neglect and alcoholism and alcohol abuse; depression, and attempts of suicide (Middlebrooks & Audage 2008, pp. 5-6).

2.6.2 Lifetime costs of Victorian abuse and neglect

In 2008 Access Economics prepared a report for the Australian Childhood Foundation and Child Abuse Prevention Research at Monash University on the social and economic costs of child abuse in Australia. To assist the Inquiry's assessment of the lifetime consequences of the current levels of child abuse and neglect in Victoria, Deloitte Access Economics was engaged to prepare an estimate for Victoria using the methodology developed for the initial study and, where available, Victorian specific data. The box gives more detail on the methodology employed.

The costs listed in Table 2.1 show the 'incidence' costs, which are the total lifetime costs for first-time child abuse and neglect that occurred in Victoria in 2009-10 (in 2009-10 dollars). The incidence costs represent the impact of child abuse and neglect on individuals. For each cost the 'lower bound' and 'best estimate' are provided (both are conservative). Table 2.1 shows that the total lifetime financial costs of child abuse and neglect that occurred in Victoria for the first time in 2009-10 is between \$1.6 and \$1.9 billion. Note that there is no difference between the lower bound and best estimate for some of the incidence costs. This is because those costs are fixed. (See box for details on the categories of lifetime costs).

Methodology used to assess lifetime costs of child abuse and neglect

In line with the initial national level study, Deloitte Access Economics prepared the estimates of the cost of abuse and neglect in Victoria on two bases using the method in Taylor et al. (2008):

- The first of these is the ‘incidence’ method – the incidence of child abuse represents the number of children abused for the first time in 2009-10. The incidence costs measure the total associated social and economic costs of abuse over each abused person’s lifetime (in 2009-10 dollars); and
- The second is the ‘prevalence’ method – the prevalence of child abuse is an annual measure, representing the number of children abused in 2009-10 – whether for the first time or not. The prevalence costs measure the associated costs of abuse or neglect which occurred in 2009-10.

Deloitte Access Economics prepared these estimates based on two assumptions as to the level of child abuse and neglect:

- The lower assumption – termed the ‘lower bound’ estimate – is based on recorded substantiated

cases of child abuse and neglect in Victoria in 2009-10; and

- The second assumption – termed the best estimate – was developed using the results of an ABS Personal Safety Survey (2006c) to address the issue of under-reporting of child abuse and neglect. The best estimate of incidence was calculated by factoring up the lower bound incidence estimates for the difference between the substantiation rate and the ABS survey estimate of one year of prevalence. This estimate is also conservative because respondents were only asked about physical and sexual assault (not emotional, psychological abuse, neglect or witnessing violence), and the sample excluded people who died as a result of their abuse, and also excluded people living in institutions such as prisons or psychiatric hospitals (Deloitte Access Economics 2011, p. 27). Moreover, the ABS collected data from adults whose childhood experiences are not necessarily a sound indicator of the current prevalence of child abuse and neglect.

Table 2.1 Estimated incidence costs of child abuse and neglect, Victoria, 2009-10

Incidence	Units	Lower bound	Best estimate
	Number of children	5,390	32,850
Health system	(\$'000)	29,781	187,660
Additional education	(\$'000)	6,372	38,693
Productivity losses – lower employment	(\$'000)	11,015	67,150
Productivity losses – premature death*	(\$'000)	37,084	37,084
Child protection, out-of-home care, intensive family support and Child Safety Commissioner	(\$'000)	1,032,141	1,032,141
Public housing	(\$'000)	25,300	25,300
Supported Accommodation Assistance Program	(\$'000)	11,978	11,978
Crime, courts and victim support	(\$'000)	74,443	74,443
Second-generation crime	(\$'000)	260	1,585
Deadweight losses**	(\$'000)	351,245	411,392
Total financial costs	(\$'000)	1,579,619	1,887,428

Source: Deloitte Access Economics 2011, p. 11.

* The costs associated with premature death are the same for the lower bound and the best estimate. This is not because the cost of premature death associated with child abuse and neglect is fixed, it is because only one methodology was used to calculate the number of deaths that may be associated with child abuse and neglect.

** Deadweight losses are costs associated with additional welfare payments and government expenditure associated with child abuse. While welfare payments are not in themselves economic costs (they are transfer payments), they are associated with efficiency losses (or to use economic terminology – deadweight losses). Deadweight losses reflect the resources required to administer the taxation and welfare systems, the associated costs of compliance activities and the behavioural distortions resulting from incentives associated with taxation and welfare.

Lifetime costs of child abuse and neglect

(For each cost estimate, the 'lower bound' and 'best estimate' are provided to inform the broad range of impacts).

Health system costs

The lifetime health system costs of abuse and neglect that occurred for the first time in 2009-10 were between \$29.8 million and \$187.7 million. The Australian Government incurs the greatest share of the health system costs of child abuse and neglect, followed by the Victorian Government (Deloitte Access Economics 2011, p. 39).

Additional education costs

The lifetime costs of additional programs required to assist children who were abused or neglected for the first time in 2009-10 were between \$6.4 million and \$38.7 million. The Victorian Government incurs the greatest share of these costs (Deloitte Access Economics 2011, p. 40).

Productivity losses

Lifetime productivity losses due to child abuse and neglect that occurred for the first time in 2009-10 were in the following areas:

- Lower employment – children in out-of-home care are less likely than other children of their age to be employed and if they are employed, they are likely to receive lower weekly earnings on average. These costs over the lifetime for those whose abuse or neglect occurred for the first time in 2009-10 are between \$11 million and \$67 million.
- Premature death – around \$37 million in productivity losses occurred because of premature death associated with child abuse and neglect that occurred for the first time in 2009-10 (Deloitte Access Economics 2011, p. 40).

Child protection and care, housing and Supported Accommodation Assistance Program

The estimated cost to the Victorian Government of child protection and out-of-home care incurred because of child abuse and neglect that occurred for the first time in 2009-10 is just over \$1 billion. This cost is based on an average time in out-of-home care of 3.5 years.

Children leaving out-of-home care are substantially more likely to use public housing than the average population. Assuming these children remain in public housing for seven years, the cost to the Victorian Government is \$25.3 million.

Supported Accommodation and Assistance Program funding where the main reason for seeking assistance was family violence, sexual abuse and physical/emotional abuse, and where there were support periods provided to children aged 0-17 years, cost around \$12 million (Deloitte Access Economics 2011, p. 42).

Courts and crime

The lifetime costs to the justice system of abuse and neglect that occurred for the first time in 2009-10 were \$74.4 million. These costs are borne by the Victorian Government. This excludes the association between child abuse and criminal activity later in life (Deloitte Access Economics 2011, p. 41).

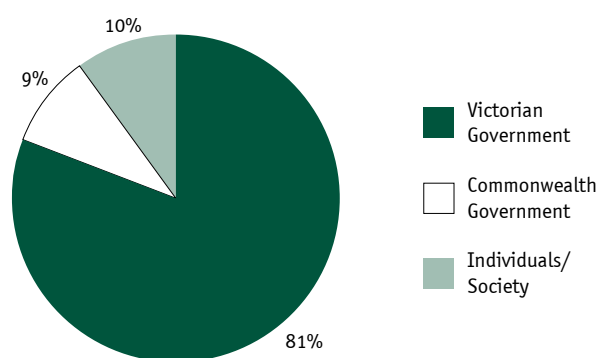
Second-generation crime refers to criminal activity later in life by adults who were abused as children. The lifetime cost of second-generation crime related to abuse that occurred for the first time in 2009-10 is between \$260,000 and \$1.6 million (Deloitte Access Economics 2011, p. 41).

Deadweight losses

Efficiency losses associated with taxes and transfer payments arising because of abuse or neglect that occurred for the first time in 2009-10 are between \$351.2 million and \$411.4 million (Deloitte Access Economics 2011, p. 42).

Figure 2.8 shows the distribution of the financial costs of abuse and neglect between the Commonwealth, the Victorian Government and individuals and society. Figure 2.8 illustrates that the Victorian Government bears the overwhelming majority of the financial costs.

Figure 2.8 Distribution of the financial costs of abuse and neglect, Victoria, 2009–10



Source: Deloitte Access Economics 2011, p. 12

2.6.3 Cost of abuse and neglect per person

To give an indication of the per person cost of abuse and neglect, Table 2.2 shows the total lifetime incidence cost of abuse and neglect that occurred for the first time in 2009-10, per person. It should be noted that in this case the lower bound figure is more than the figure for the best estimate. This is because there are considerably more children affected under the best estimate, therefore, the costs (which are not considerably different to the same degree due to some of the costs being fixed), when divided by the number of children, gives a smaller figure per person.

Table 2.2 Estimated lifetime financial (incidence) costs of child abuse and neglect, per person, Victoria, 2009-10

Incidence	Units	Lower bound	Best estimate
	Number of children	5,390	32,850
Total financial costs (same seven categories as Table 2.1)	(\$'000)	1,579,619	1,887,428
Lifetime financial costs per person	(\$'000)	293	57

Source: Deloitte Access Economics 2011, p. 11

Table 2.2 shows that based on a conservative estimate of the abuse and neglect that occurred for the first time in 2009-10, the financial cost of that abuse and neglect is somewhere in the order of \$293,000 per person over the course of their life. Even at a figure of \$57,000 this is a significant cost per person.

2.6.4 Burden of disease

The Deloitte Access Economics report also makes an estimate of the non-financial cost or loss of wellbeing resulting from child abuse and neglect – the ‘burden of disease’. These costs are measured in ‘disability adjusted life years’ (DALYs) which represent the years of life lost through premature death and healthy life lost due to abuse or neglect. Table 2.3 shows the DALYs (lost) by age based on the same incidence.

Table 2.3 Estimated burden of disease impacts for incidence of child abuse and neglect, Victoria, 2009–10

Age	Lower bound	Best estimate
0–4	130	160
5–14	70	80
15–24	330	1,780
25–34	230	1,630
35–44	260	1,870
45–54	200	1,400
55–64	70	520
65–74	20	110
75–84	10	60
85+	10	30
Total	1,315	7,640

NB: Numbers have been rounded and may not add to the totals

Source: Deloitte Access Economics 2011, p. 43

As a point of comparison with the previous financial costs – noting these monetary values cannot be added to the financial costs – the lower bound value of the burden of disease is \$210 million and the best estimate is \$1.2 billion (Deloitte Access Economics 2011, p. 43). This demonstrates that aside from the personal costs, these years of life lost due to abuse and neglect results in a massive cost to society.

2.7 Conclusion

A number of important findings and implications emerge from the available information and research on vulnerability and risk factors, and the incidence and cost of child abuse and neglect. In particular, in considering the appropriate policy and service responses to the issue of child abuse and neglect, it is important to note:

- Vulnerability is unpredictable and is not static – a child, young person or family may be vulnerable at different stages of their life depending on changing family circumstances and a child's developmental needs;
- Vulnerability appears to be concentrated in particular geographic locations where there is also socioeconomic disadvantage;
- Factors that are associated with and increase the likelihood of child abuse and neglect are many and varied, reflect a broader set of health, social and economic issues and interact with each other; There is not a one to one relationship between vulnerability and the incidence of abuse and neglect – as evidenced by risk factors – and the incidence of child abuse and neglect. For example, being poor is a risk factor to vulnerability but it does not necessarily increase the risk of abuse and neglect;
- Factors that impact on vulnerability may stem from factors relating to a parent, family or caregiver, the child or young person or from the community; and
- Factors that increase the risk of vulnerability impact with a greater or lesser extent depending on children's age, socioeconomic status and geographical location.

The estimates shown in this chapter of one in four children born in 2011 being the subject of at least one child protection report before age 18 is significant. This illustrates the scale of community concern about vulnerable children. These estimates are a very strong argument for enhanced preventative effort and early intervention.

More generally, the absence of direct cause and effect, differential impacts across socioeconomic groups and locations and significant lifetime costs needs to be understood and reflected in the overall approach to protecting Victoria's vulnerable children.

Child abuse and neglect is a very visible manifestation of vulnerability. As indicated by the Deloitte Access Economics estimates, the economic and social costs of child abuse and neglect are significant, particularly to the Victorian Government. The objective of protecting Victoria's vulnerable children from abuse and neglect needs to be considered both in terms of the performance of the system that responds to allegations of child abuse and the broader systems that intervene to support vulnerable children and families. This will ensure children and young people have the opportunity to grow and develop safe from harm.