

# A RESEARCH SNAPSHOT

## The Impact of Poverty on Children



Growing up in poverty can have an impact on a child's health, development and educational success well into adulthood.

Even before they get to school, there are health and achievement gaps between children who are disadvantaged and others who are more well off.

This is not just due to the economic hardship itself, but the accompanying poverty of relationships and experiences that shape a child's development.

### Poverty in Australia

There is a widening gap between the rich and poor in Australia.

People on the highest incomes receive around five times as much income as someone on the lowest, and the wealthiest Australians own 70 times as much as the poorest.

In Australia 17.4 per cent of children (730,000) live in poverty. Many are from single parent families, with 40.6 per cent of this family type living in poverty.

As well as single parent families, those with long term health conditions or disabilities, people with low education and Indigenous Australians are most likely to experience deep and persistent disadvantage.

The longer people live in poverty, the lower the chance that they will be able to break out of it.



### Lifelong effects

Poverty, particularly in the early years, can have a negative effect on a child's life chances.

It can limit their opportunities to learn and affect their academic success.

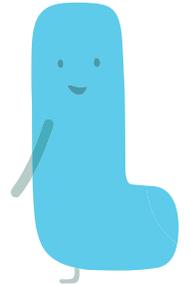
Children who grow up poor can experience insecure housing, unsafe neighborhoods and unstable relationships which can have a detrimental effect on their physical and mental health.

Poverty in a child's first five years is also considered a good predictor of poorer outcomes when they become adults.

Children born into poverty are four times more likely to be developmentally vulnerable.

However, because of the nature of poverty, it means their parents have limited ability to help them overcome that vulnerability.

Some families get stuck in a cycle of disadvantage passed from one generation to the next.



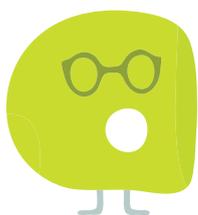
## Health effects

Growing up in poverty can get 'under the skin' and have immediate and long-term impacts on a child's health.

It has been linked to elevated levels of the stress hormone cortisol, high blood pressure, obesity and problems with immune function.

Poverty in childhood has also been linked with health issues in adulthood, including cardiovascular disease, respiratory disease, diabetes, obesity, certain cancers, diseases of the digestive system and mental health disorders.

These health problems can occur regardless of whether the child becomes financially secure as an adult.



### Brain function

Growing up in a stressful environment, like that experienced by many poor children, can affect the development of a child's pre-frontal cortex.

This limits the development of a core set of skills which help them remember and follow instructions, solve problems, learn from mistakes and revise their beliefs and actions.

Children affected by toxic stress can have difficulty adapting to formal schooling. They find it hard to concentrate, manage their behavior and emotions and work with others.

This all contributes to a social and learning gap between these children and those from higher socio-economic backgrounds.

## Families and parenting

Families in poverty are less able to provide a safe and enriching home learning environment that is so critical in the early years of a child's life.

The chronic stress of poverty and its hardships can limit a parent's ability to support their child's development. They may have less time or capacity to interact in positive ways with their children.

Research shows that low-income parents on average speak less to their children, use less complex language and offer less praise, leading to a 'word gap' that is evident at three years-old.

A positive and engaging home life is known to be more important than a parent's education and class in creating good outcomes for children.

Poor children who live in stable homes where their parents respond to their needs can thrive, increasing their chances of success.

## Breaking the cycle

Despite our overall economic prosperity as a nation, a substantial number of people in Australia are being 'left behind'.

Early intervention is crucial to improving a child's educational outcomes and creating a positive effect on their later life, helping to break the cycle of disadvantage.

To achieve this, assistance must also be provided to adults to help them cope with adversity and manage parenting effectively.

In turn, this will help support a child's development and protect against the harmful effects of poverty and disadvantage.

## Reference

1. Monks, H. (2018). The impact of poverty on the developing child [Evidence Report]. Retrieved from <https://colab.telethonkids.org.au/>

