Many children are experiencing disadvantage on multiple fronts and are unable to participate fully in their community.

**CHILD SOCIAL EXCLUSION** captures the multi-dimensional nature of disadvantage experienced by many of Australia’s children. It extends the lens on disadvantage beyond child poverty which is derived from household income alone. The 2016 Child Social Exclusion Index includes five domains – Socioeconomic, Education, Connectedness, Housing and Health – and 16 indicators. Child poverty rates are estimated using a poverty line set at half the median equivalised household disposable income, adjusted for housing costs.

**KEY FINDINGS**

- **1/6** Australian children aged 0-14 years live in poverty.
- **17.2%** children living in areas where risk of social exclusion is high, lived in families experiencing housing stress, a rate nearly double that of children in areas with low risk of exclusion in 2016.
- **35%** children in remote and very remote Australia experience the highest risk of social exclusion.
- **1/3** children in remote and very remote Australia experience the highest risk of social exclusion.
- **1/5** While many areas share the same child social exclusion and child poverty quintile, 1/5 children live in areas where the social exclusion quintile is higher than the child poverty quintile.
- The geography of the least and most excluded areas in Australia has remained largely unchanged since 2011, with 73% of all SA2s remaining in the same CSE Index quintile in 2011 and 2016.
- Australia’s capital cities paint a contrasting picture, having clear clusters of neighbourhoods at risk of high child social exclusion and others where the risk is very low.
- Areas outside capital cities have much lower proportions of children experiencing the lowest levels of social exclusion.

**The highest prevalence of children at greatest risk of social exclusion i.e. who are in the most excluded quintile of the CSE Index.**

- 26% South Australia
- 34.1% Tasmania
- 43.1% Northern Territory

Many children are experiencing disadvantage on multiple fronts and are unable to participate fully in their community.
Of the local communities having the highest risk of child social exclusion in 2011, 87% were still in the most excluded quintile in 2016.

Between 2011 and 2016, 279 small areas (14%) improved their CSE quintile, but 268 local communities shifted into a more socially excluded quintile.

In examining the 16 indicators of the CSE Index, the greatest improvement between 2011 and 2016 occurred in the proportion of children living in families where no family member had completed Year 12.

In 2016, nearly 1/7 children (over 15%) aged 0-14 years lived in areas that were among both the 20% of areas with the highest rates of child poverty and were the most socially excluded.

BEING EXCLUDED HURTS CHILDREN, FAMILIES AND THE COMMUNITY

Child social exclusion means lost opportunity, marginalisation from the life of a community and the risk of leading lives of unfulfilled potential.

The key drivers of improvement in child social exclusion were ‘above-average’ improvement in the socio-economic well-being of families in these areas and in their educational attainment, and reduced exposure to increases in housing stress.

Excluding Northern Territory, the highest rates of child poverty occurred in areas in Victoria outside of greater Melbourne (23.1%) and in NSW outside Sydney (18.9%).

In 2016 there were 267 local communities (13% of the total SA2s in the analysis) in the most excluded CSE Index quintile and highest child poverty quintile.

There were another 102 small areas classified at highest risk of child social exclusion but were not in the 20% highest child poverty areas.