

ANTI-POVERTY WEEK 2026

TOWARDS AN ACT FREE FROM POVERTY

The faces of poverty across Australia are changing. In the community sector, we are seeing more and more working families seeking crisis services, including food banks, as cost of living pressures continue to bite. An increasing number of Canberrans are struggling to make ends meet and are resorting to skipping meals and going without heating and cooling in their homes. These are the hidden signs of poverty that we don't always share with friends and neighbours. Nobody should have to choose between paying rent or feeding their family.

While we are fortunate that many Canberrans enjoy a high standard of living, an estimated 1 in 7 of us, and 1 in every 6 children, live in poverty.¹ This is the highest recorded level since 2001. These are unofficial measures based on income, because we do not have an official measure of poverty in Australia.

As a community, we ought to be setting a standard of measurement and action that makes sure all of us get to live a decent life and put food on the table, even when we go through challenging times.

Around the world, 156 countries have official poverty measures that help to guide policies that support people doing it tough. Australia should follow suit. With official measures, Governments can have a means to track and realise the extent of poverty in each jurisdiction and develop policy solutions that seek to address the causes or reduce them.

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This anti-poverty week we make the following recommendations:

We urge the Commonwealth Government:

- To establish standard measures for adult and child poverty and introduce targets to reduce them.** The Commonwealth has committed to 'measuring what matters', it's time that poverty was included.
- Raise the rate of working-age social security payments to at least \$82 per day to meet those poverty lines,** because nobody deserves to live in poverty.

We urge the ACT Government:

- To commit to publicly report on the ACT Wellbeing Framework indicators annually** to support Government and the community to better understand wellbeing in the ACT and address service gaps.
- To work with the community sector to systematically shift investment from acute services to early intervention,** especially with respect to child wellbeing and development services.

¹ ACOSS., & UNSW. (2026). *Poverty in Australia 2026: Who is affected.*

WHAT IS POVERTY AND HOW CAN WE MEASURE IT?

Poverty is a concept that describes people who are not able to participate in the activities a society takes for granted or accepts as a minimum standard of living.²

The particular ways in which it is defined and measured materially impact the sorts of policies developed in response. For example, poverty has traditionally been defined as the lack of adequate income to support participation in the norms of society.³ The OECD measures poverty in this way as households falling below half of median income.⁴ The benefit of this definition is twofold; it is straightforward to measure, and it links poverty to the costs within the society in which it is occurring.

While income-based approaches provide a measure of relative material deprivation, they have been challenged by researchers who note that a focus on income alone can fail to represent the full extent and varied impact of poverty. There is a substantial body of research that suggests income-poverty measures ought to be supplemented with a multi-dimensional approach that aims to a more nuanced picture of how deprivation is unfolding – including access to healthcare, education and employment, and indicators of social isolation.⁵

The multi-dimensional definition is grounded in the work of Amartya Sen that assesses individual wellbeing by the choices, freedoms and opportunities afforded to each person in a society – referred to as their capabilities.⁶ Incorporating this approach into poverty measurement has led researchers to focus on measuring poverty as a function of where multiple capabilities are constrained.⁷ The capabilities can then be quantified into a Multi-Dimensional Poverty Index (MPI) that can show the relative contribution of different indicators in driving poverty.⁸ When combined with income-based measures, the MPI provides a detailed understanding of what factors are driving poverty that is a useful base of evidence that policy-makers can use to target interventions. One of the challenges with an MPI approach relative to an income-based measure tends to be practical – it takes multiple categories of data and sophisticated methods to calculate. For this to work in Australia, it would need to be led by the Australian Bureau of Statistics.

² ACOSS., and UNSW Sydney. (2025). Poverty Measurement: A poverty and inequality partnership position paper. May 2025. <https://doi.org/10.5281/zenodo.13534526>.

³ See for example, Townsend, P. (1979). Poverty in the UK: A Survey of Household Resources and Standards of Living. University of California Press, 31.

⁴ OECD Poverty Rate. Available at <https://data.oecd.org/inequality/poverty-rate.htm>

⁵ Davidson, P., Naidoo, Y., and Bradbury, B. (2025). Measuring Poverty in Australia – The role of Income. *Australian Economic Review* 58. <https://doi.org/10.1111/1467-8462.70019>.

⁶ Sen, A. (1999). Development as Freedom. *Development in Practice* (Issue 2). Oxford University Press; Sen, A. (2005). Human Rights and Capabilities. *Journal of Human Development* 6, no. 2: 151–166. <https://doi.org/10.1080/14649880500120491>.

⁷ Cigdem-Bayram, M., Nolan, C., Rama, I., and Bieske, N. (2025). Monetary and Multidimensional Poverty in Australia: A Dual Measurement Approach. *Australian Economic Review* 58. <https://doi.org/10.1111/1467-8462.70023>.

⁸ The MPI approach was pioneered by: Alkire, S., and J. Foster. (2011). Counting and Multidimensional Poverty Measurement. *Journal of Public Economics* 95, no. 7–8: 476–487. <https://doi.org/10.1016/j.jpubeco.2010.11.006>.

MEASURING CHILD POVERTY

A policy gap remains in this approach to poverty measurement, which is the differences between child and adult poverty. Both income and multi-dimensional measures tend to treat children as either a part of a household or as individuals who suffer poverty in the same ways as adults. This understates the long-term social and economic consequences for children and society more broadly.⁹ There is substantial evidence that poverty has lasting impacts on health, academic attainment and on stress and immune system responses.¹⁰ These extend through a person's life, well beyond what an adult experiences from poverty. Advocates in this space have therefore proposed measuring child poverty through a relational lens that accounts for the impact of relationships and opportunities on the future of a child in poverty.¹¹ These factors are only partially covered in a multi-dimensional measure and could be usefully supplemented with existing child poverty frameworks.

HOW SHOULD WE MEASURE POVERTY IN AUSTRALIA?

An official measure of poverty was first recommended by the Henderson Poverty Inquiry which reported its findings in 1975. In his groundbreaking report, Henderson argued that Australia should have a poverty line and have the main social security payments tied to it as a minimum amount.¹² Fifty years on, and advocates like us continue Henderson's legacy in advocating for an official measure of poverty in Australia.

We urge the Commonwealth government to establish standard measures for adult and child poverty and introduce targets to reduce them.

Despite lacking an official poverty line, Australia is home to world-leading experts in poverty measurement.

Income-based measures are well established in Australia. The poverty and inequality partnership between the Australian Council of Social Service (ACOSS) and the University of New South Wales (UNSW) that has developed the regular publication and analysis of an income-based measure of poverty.¹³ While multi-dimensional poverty measures have been rigorously developed by partnership between the Melbourne Institute and the Brotherhood of St Laurence.¹⁴ It is on the strength of this expertise and partnership, that

⁹ Parolin, Z., R. Pintro-Schmitt, G. Esping-Andersen, and P. Fallesen. (2024). Intergenerational Persistence of Poverty in Five High-Income Countries. *Nature Human Behaviour* 9: 254–267. <https://doi.org/10.1038/s41562-024-02029-w>.

¹⁰ Bessell, S., O'Sullivan, C., Rose, T., Lang, M., and Avrahamzon, T. (2025). Measuring Multidimensional Child Poverty in Australia. *Australian Economic Review* 58. <https://doi.org/10.1111/1467-8462.70016>; Schmidt, K. L., S. M. Merrill, R. Gill, G. E. Miller, A. M. Gadermann, and M. S. Kobor. (2021). Society to Cell: How Child Poverty Gets “Under the Skin” to Influence Child Development and Lifelong Health. *Developmental Review* 61: 100983. <https://doi.org/10.1016/J.DR.2021.100983>.

¹¹ Bessell, S., O'Sullivan, C., Rose, T., Lang, M., and Avrahamzon, T. (2025). Measuring Multidimensional Child Poverty in Australia. *Australian Economic Review* 58. <https://doi.org/10.1111/1467-8462.70016>.

¹² Saunders, P. (Ed.). (2019). *Revisiting Henderson: Poverty, social security and basic income*. Melbourne University Press.

¹³ ACOSS., and UNSW Sydney. (2025). *Poverty Measurement: A poverty and inequality partnership position paper*. May 2025. <https://doi.org/10.5281/zenodo.13534526>.

¹⁴ Cigdem-Bayram, M., Nolan, C., Rama, I., and Bieske, N. (2025). Monetary and Multidimensional Poverty in Australia: A Dual Measurement Approach. *Australian Economic Review* 58. <https://doi.org/10.1111/1467-8462.70023>.

we suggest the adult measure should encompass a dual approach, using both income and a multi-dimensional framework.

Additionally, and on child poverty, we suggest the adoption of the MOR framework developed by Children's Policy Centre, at the Australian National University, under the leadership of Professor Sharon Bessell. The MOR Framework was created right here in the ACT through a child-led process. It focuses on three sets of indicators around Material needs, Opportunities and Relationships.¹⁵ It reflects local scenarios and its adoption in the ACT and across Australia will fill a policy gap and make a strong case for uptake by the global community. We therefore suggest the Commonwealth government adopt the MOR framework.

Poverty is a political choice. We can choose to end it, but first we need to measure. By establishing official measures of adult and child poverty, setting clear reduction targets and investing in evidence-based solutions, governments can turn measurement into meaningful action. Australia has the expertise; what is needed now is the political will and commitment to ensure everyone can live with dignity and participate fully in their community.

¹⁵ Bessell, S., Bexley, A., and Vuckovic, C. (2021) *The MOR for Children Framework*. Canberra: Children's Policy Centre, The Australian National University.