

## CHAPTER 1

### INTRODUCTION

**1.1** Institutional and other forms of care represent the organised provision of alternative or substitute parental care for children by adults other than a child's parents. Substitute child care arrangements available within the community range from baby-sitting, occasional, part-time and full-day care at one extreme to full-time, long-term and permanent substitute care at the other extreme. The former type of care is regarded as temporary and is provided for children who reside permanently with their parents, whereas the latter arrangements provide care for children without parents or children whose parents, for various reasons, are unable to support them. Thus, at one end of the continuum of alternative forms of parental care, substitute child care services are designed to complement parental care while, at the other extreme, services are intended to replace parental care.

**1.2** For the purposes of this report, the Committee has limited the term 'substitute care' to the provision of care for children on a more or less full-time basis that in effect replaces parental care and in which primary responsibility for the day-to-day care of a child is assumed by persons other than the child's parents. This may include adoption, short-term or long-term foster care and institutional care.

**1.3** It can be argued that child care services such as those provided through a crèche or similar establishment constitute forms of institutional care in that children are cared for regularly and for a large part of their early life in an institutional setting. At some stage in the care of their children, many parents will seek the assistance of this type of part-time 'institutional care' either on a regular or irregular basis. For some parents, however, certain factors give rise to the need for longer-term or full-time 'substitute care', whether through adoption, fostering or institutionalisation.

**1.4** The Committee has chosen to use the term 'substitute care' in preference to the commonly-used term 'out-of-home care' because it believes the latter term carries with it an implication that alternative forms of full-time care for children are not provided in family homes or home settings but are confined to care in institutions. The Committee also wishes to express its concern at the outset of the report at the fact that the term 'institutional care' still bears negative connotations acquired in the past and that, as a result, both institutions and the children residing in them continue to suffer from a degree of stigmatisation. The Committee does not believe this view of care for children in institutional establishments is warranted: on the contrary, it considers that institutional care plays a valuable role within the wider spectrum of substitute care services and that there is a continuing need for this form of care by some children.

**1.5** Finally, for the purposes of its inquiry, the Committee has defined a child as a person who is under the age of 18 years and an adult as a person aged 18 years and over.

#### **Range of substitute care services**

**1.6** The types of substitute care services available for children in Australia in part reflect the purposes for which care is provided. The role of substitute care may be either protective or corrective or a combination of both. While there is a range of alternatives, it is not necessarily true to say that the range is available to all children or that each child is placed in the most appropriate type of care. The range of available substitute care alternatives reflects government policy, bureaucratic practices, prevailing ideology and the need for short-term or long-term placement.

**1.7** The main forms of protective care are adoption, foster care, and institutional care. Other forms of protective care are provided by relatives or friends who are not a child's legal guardians; through independent living in publicly provided accommodation where supervision or contact with welfare agencies may be minimal or unnecessary; and through youth refuges which provide emergency or crisis accommodation for children on a temporary basis. These latter facilities are typically utilised by older homeless children who need refuge, advice and assistance to help them establish a more stable life position. Corrective care is normally provided through institutional care either in juvenile corrective institutions or prisons although recent initiatives in this area to develop community-based alternatives reflect a growing trend towards prevention and rehabilitation as opposed to correction.<sup>1</sup>

### **Number and characteristics of children in substitute care**

**1.8** It is not possible to state with any degree of accuracy the total number of children placed in substitute care in Australia as statistics collected by various agencies at the national level such as the Australian Bureau of Statistics and the Department of Social Security vary considerably.<sup>2</sup> Data compiled by the Bureau of Statistics reveal that in 1984 there were at least 30 309 children living in some form of substitute care. As at June 1984 this figure represented 9757 children in foster care, 7258 children in institutional care, and 1133 children under the guardianship of the State or under other official orders who were either in the care of adults other than their parents or relatives, or were living independently. Also included in the overall figure were 2770 children who were adopted during the year 1983-84, and 9391 children under the guardianship of the State or under other official orders who, at June 1984, were recorded as living with their parents or other relatives. This latter figure should be treated with caution as it is not known what proportion of children in this category were in fact living with relatives other than their parents, and who would therefore be classified as being in an alternative form of parental care. Further details of the number of children in substitute care are provided in Tables 1-4, Appendix 4.

**1.9** As there is often considerable movement of children in substitute care, particularly in foster care and institutional care, with some returning home to their parents, some being adopted and some older children becoming self-supporting, the annual caseloads of substitute care organisations are probably significantly higher than the official population of children in care at any one time would indicate. Furthermore, the above figures relating to children living in the care of relatives or friends or living independently apply only to children under State guardianship or other official orders. Because not all children in these forms of substitute care are placed under government or other orders, the available data on these children do not provide a true representation of the incidence of children relying on the care of relatives or friends or living independently.

**1.10** While it is difficult to be precise about the number of children in substitute care at any one particular point in time, it is clear there has been a continuing downward trend in the number of children being placed in substitute care during the last decade or so. The Committee has estimated that, on the basis of figures published by the Australian Bureau of Statistics, the Department of Social Security and State welfare departments, the overall number of children available for adoption or being placed in foster care or institutional care has fallen from approximately 39 600 in 1972 to 22 500 in 1984.<sup>3</sup> Similarly, the number of children placed under the guardianship of the State has declined. Figures prepared by the Bureau of Statistics and the Social Welfare Research Centre at the University of New South Wales<sup>4</sup> show that the number of children under State guardianship in 1972 was 26 846 or an estimated rate of 5.9 per thousand of the population under 18 years of age compared with 22 661 in 1979 (5.1 per thousand),

18 566 in 1980 (4.2 per thousand), 17 259 in 1981 (3.8 per thousand), and 16 395 in 1982 (3.6 per thousand).<sup>5</sup> This decrease has, however, varied considerably between the States. As shown in Table 5, Appendix 4, South Australia achieved the greatest decrease with a reduction of nearly two-thirds of its population under guardianship between 1972 and 1982. This was followed by Western Australia and Victoria with reductions of 52 per cent and 48 per cent respectively. By comparison, the size of the population under guardianship in Queensland remained relatively static throughout this period.

**1.11** It is worth noting that while there has been a decline in the number of children placed under the guardianship of the State in Australia there has been an increase in the number of children under State guardianship in the United Kingdom as well as in the United States of America.<sup>6</sup> It is also significant that the proportion of children under the guardianship of the State in Australia is almost half that of the rate for England and Wales. It has been suggested that these variations are due in part to the fact that State governments in Australia take a more favourable view of the family as a child-rearing institution than their British counterparts, and that greater prominence has been given to coercive intervention by local welfare authorities in the United Kingdom than has been the case in Australia.<sup>7</sup>

**1.12** Statistics of children in other categories of care also reflect a decline in the incidence of substitute care placements. Data from the Australian Institute of Criminology show that the number of children in juvenile corrective institutions has declined from 1824 as at 1 July 1977 to 985 as at 30 June 1984.<sup>8</sup> Other figures show that the number of children under guardianship in prison has fallen from 73 in 1980 to 21 in 1982.<sup>9</sup> In recent years there has also been a reduction in the number of children with disabilities entering residential care.<sup>10</sup>

**1.13** Apart from generalised observations about the type and nature of children entering care, there is little official data of a comprehensive, comparable and conclusive nature available at the national level concerning the basic characteristics of children in substitute care. As a result, the Committee can only make tentative conclusions in this area. Children are admitted to substitute care at all ages from birth to adolescence. They may be placed in care individually or as members of small or large sibling groups. They range from normal functioning children to children with severe behavioural, physical, intellectual, educational and social disorders. Of those placed under the guardianship of the State, there are almost twice as many boys as girls. Likewise, of those children placed in juvenile corrective institutions and prisons, the vast majority are boys. On the other hand, many more girls than boys are placed in institutional care in their teenage years for status offences.<sup>11</sup>

**1.14** Evidence suggests there have been a number of significant changes in the characteristics of children coming into substitute care in recent years. Today children tend to be older, entering care at the age of at least 10 years rather than in the middle childhood years of six to eight or earlier as has been the previous pattern. It is also apparent that today many more children come from broken or blended families.<sup>12</sup> The proportion of children who have severe behavioural problems, are emotionally disturbed, or have particular disabilities also appears to have increased. This is especially the case for children entering institutional care.

**1.15** In 1982 the Victorian Department of Community Welfare Services stated that children requiring residential placement in the 1980s appeared to need more intensive care and treatment than the residential care population of ten years ago.<sup>13</sup> Comments made to the Committee by residential care staff in most States visited supported this view. Others have noted that the level of handicap and disability present in residents in institutions for the disabled has also increased over the last decade.<sup>14</sup> However, as documented elsewhere,

it may not be unreasonable to assume that, as most States attempt to place children in forms of care other than institutional care where possible, those children who are difficult to place are likely to remain in institutions.<sup>15</sup>

**1.16** Two categories of children continue to be over-represented in substitute care: Aboriginal children and children with disabilities.<sup>16</sup> Aboriginal children are disproportionately represented in both protective care and corrective institutions in all States and the Northern Territory in comparison with their proportional representation in the general population. For example, it has been estimated that in Western Australia, 54 per cent of children in foster care and 57 per cent of children in residential care are Aboriginal although Aboriginal people comprise only 2.4 per cent of the total population of that State. In the Northern Territory the proportion is higher where 60 per cent of children in residential care and 93 per cent of children in foster care are Aboriginal although Aboriginal people in the Northern Territory represent 24 per cent of the Territory's total population. In South Australia where Aboriginal people represent less than 1 per cent of the total population, one out of six children under State care and control is Aboriginal. Although official figures are not available, the Committee understands that approximately 30 per cent of children in residential care in Queensland are Aboriginal although Aboriginal people comprise only 2 per cent of the total population. In New South Wales it is believed that 15 per cent of children who are placed in some form of substitute care are Aboriginal despite the fact that Aboriginal people comprise less than 1 per cent of the total population of that State.<sup>17</sup>

**1.17** Estimates of the prevalence of children with disabilities in substitute care vary but, according to the latest national 'Survey of Handicapped Persons' conducted by the Australian Bureau of Statistics in 1981, 1 264 600 Australians (or 8.6 per cent of the population) were identified as being handicapped of whom 166 700 were aged 0-19 years.<sup>18</sup> Of this group, 6500 (or 4 per cent) were placed in substitute care, mainly residential institutions. While the majority of disabled children in substitute care are in specialist children's homes, a significant proportion are in conventional institutional centres. It is hoped that this separation represents some movement towards placing such children in 'normal' settings. However, it is a matter for concern if, as has been suggested, children in non-specialist institutions are so located by accident rather than design as this may preclude access to the specialist services and facilities they need. It is not possible to ascertain from the data available whether children with disabilities are placed in non-specialist institutions intentionally or not. It is apparent, however, that this situation has changed little since 1979 when the survey by Gregory and Smith of non-government children's homes and foster care revealed that 22 per cent of children who were identified as having moderate or severe intellectual disabilities were in ordinary children's homes or foster care, as were 15 per cent of those children with moderate or severe disabilities affecting their mobility.<sup>19</sup>

**1.18** Unlike other categories of children in substitute care, a high proportion of disabled children are placed in large residential institutions (i.e. residences comprising 20 to 40 children or more). It has been argued that the continued provision of large-scale institutional care for disabled children can be justified on economic grounds because it provides more efficient access to specialist services. On the other hand, some States have achieved considerable success in transferring children with disabilities to small residential units indicating that other factors may outweigh economic considerations.<sup>20</sup>

**1.19** There are various explanations for the overall decline in the number of children being placed in substitute care and for the changing characteristics of those in care. Major factors have been the introduction by the Commonwealth Government in July 1973 of income benefits for single supporting parents and the increased availability of

Commonwealth and State funded community child care facilities and other preventive neighbourhood programs and services that have assisted many parents to keep their children at home rather than relinquish them to the care of State or voluntary welfare agencies. A further factor has been the growing reluctance of State and Territory government and non-government welfare authorities to remove children from their natural parents. This trend has developed largely in response to changing social attitudes towards the appropriateness and desirability of placing children in substitute care, notably institutional care, and the belief that the admission of a child to substitute care should only occur when all other possibilities of maintaining the child within the family have been exhausted.<sup>21</sup> The efficacy of this approach is examined later by the Committee, particularly in terms of the need for welfare agencies to weigh up carefully the value to the child of placing him or her in substitute care against the effects on the child, especially in terms of emotional and behavioural development, of remaining in an essentially unstable and unsatisfactory home environment.

**1.20** The decrease in the number of children in substitute care can also be attributed to a range of other factors, including the decline in fertility rates, particularly since the mid-1960s, reflecting changing social and moral values and attitudes, the increased use of contraception and abortion, and a preference for smaller families. On the other hand, the increasing incidence of marital breakdown, divorce and remarriage, unemployment and other socio-economic pressures has affected the ability of some parents to care for their children in the home.

### **Reasons for the placement of children in substitute care**

**1.21** Children may be placed in substitute care either by their natural or adoptive parents acting voluntarily in a private capacity, or by the State acting in accordance with certain statutory provisions. Parents may place children in care because of such factors as family breakdown, poverty, illness, inability to cope or because particular treatment, programs or facilities are required as, for example, by emotionally disturbed children or physically and intellectually disabled children. A child is admitted involuntarily to care by the State because he or she has been found guilty by a court, juvenile panel or other similar authority of committing an offence against the law or as the result of an order by a children's court on welfare grounds, that is, because the child's physical, mental, emotional or moral welfare is at risk.

**1.22** Due to the lack of comparable data, detailed information about the reasons for the admission of children to substitute care (e.g. the number of children placed in care because of child abuse, parental neglect, delinquency or homelessness), is not available at the national level. The only official statistics published relate to children placed in substitute care under State guardianship or other official orders. These statistics are compiled by the Australian Bureau of Statistics and only differentiate between those children placed in care because they have committed an offence against the law and those whose welfare is considered to be at risk and who are therefore regarded as being in need of care and protection. This information relates predominantly to children admitted to government residential homes as most children under guardianship orders are placed in these centres. The statistics reveal that the majority of children under State guardianship are placed in care because of concern for their welfare. This is, however, far more the case for girls than for boys. For example, in 1984 only 107 out of 1319 girls under guardianship were placed in substitute care for reasons relating to offences committed against the law, whereas the majority of boys (1559 out of 2875) were placed in care as a result of committing offences. Other details are provided in Table 6, Appendix 4.

**1.23** Further information that provides a national perspective is available from several other sources, including the 1979 survey by Gregory and Smith, a study conducted in the same year by the Australian Council of Social Service and the report of a review of the Children in Residential Institutions Program (a Commonwealth-funded education program) by a research team under the direction of Professor J. Ward of Macquarie University in 1983 and 1984.<sup>22</sup> On the basis of these reports and evidence received by the Committee, the reasons for the admission of children to protective and corrective care can be broadly divided into two categories: one constituting the primary reasons and the other representing secondary factors. It should, however, be stressed that the reasons for admission to substitute care are normally closely inter-related.

**1.24** The primary reasons for removing a child from its family are the precipitating causes of a child's need for substitute care and may include one or more of the following: parental neglect; child abuse; homelessness; parental and family conflict or breakdown; concern for a child's general welfare (e.g. because of unfit, improper or incompetent guardianship); disordered social behaviour on the part of the child (delinquency, truancy); physical and intellectual disability; and emotional disturbance. In their survey, Gregory and Smith found that the three most frequently mentioned primary reasons for the admission of children to institutional care were family breakdown, concern that the child's welfare was at risk, and the inability of parents to cope. These factors were also identified as the main reasons for the placement of children in foster care. Family illness was also a significant factor. Overall, the results of this survey revealed that in at least 79 per cent of cases examined, the primary reasons for the admission of children to care were attributable to factors apart from the child's behaviour.<sup>23</sup> Similarly, the findings of the review by Ward showed that children were admitted to institutional care mainly as a result of 'family-social' difficulties. A breakdown of the precipitating causes identified by this study is provided in Table 7, Appendix 4.

**1.25** Secondary factors that may contribute to the 'crisis' situation leading to the removal of children from their home environment are generally related to a family's immediate economic and social circumstances. Since the 1930s, family research has demonstrated the impact on family life of inadequate income resulting from unemployment, unstable job tenure and low job prospects. In turn, lower socio-economic status, family conflict, and withdrawal from wider social contact exacerbate financial problems and may contribute to family breakdown. More recent studies by Elder have shown how the effects of unemployment on adults spill over into effects on children.<sup>24</sup> Poverty caused by unemployment does not simply mean a shortage of food, clothing, adequate housing, heating, or schooling. It also has other costs. For example, in a Californian study of the effects of inflation on 8000 families, Steinberg and others found that increases in child abuse were preceded by periods of high job loss.<sup>25</sup>

**1.26** Research by the Australian Council of Social Service and others has shown that the socio-economic background of families with children in substitute care is also characterised by a predominance of single parent status families, minimal levels of education attainment, and poor state of health.<sup>26</sup> A recent report by English and King makes particular reference to the poverty of single mothers and their children, and draws attention to the following factors: single mothers depend for the most part on welfare payments; the majority receive no significant maintenance from the father of their children; they have limited access to a wide range of goods and services, including day-care services for their children; their housing is generally below community standards; they are less likely to have access to motor vehicles or a telephone; they have fewer household goods; and their children are less likely than other children to complete secondary schooling, tertiary education or to have any post-school training.<sup>27</sup>

**1.27** Although no definitive conclusions are offered by the above reports, the inter-relationship between the lack of material resources and family breakdown leading to the admission of children to substitute care is highlighted. The study by the Council of Social Service particularly noted the link between the lack of economic resources and the general inability of parents to cope with the demands of family and community life, and commented that to this extent substitute care acts as a dumping ground for children when parents can no longer care for them. Many submissions presented to the Committee reinforced these views.<sup>28</sup>

**1.28** Evidence also shows that some parents of children in substitute care exhibit signs of inadequate preparation for, or understanding of, the responsibilities and tasks involved in the nurturing and care of their children. Parents who have grown up with the disadvantages of social isolation, dependence, ignorance, poverty, and chronic illness or a combination of these problems, and who also lack initiative and self-reliance, are more likely than others to rear children in their own image. Often such parents lack family or neighbourhood support to help them cope with their child-rearing responsibilities. They also tend to be least able to use community-based services, such as child care systems, if available, to best advantage. In these circumstances, they believe the only recourse open to them is to relinquish their children to the care of others.

**1.29** The Committee considers that as children are placed in care primarily because their families, for various reasons, are unable to provide adequately for them or to take advantage of those community services available, then the need for substitute care must be viewed in its broadest preventive context. This in turn means that public policy must address more rigorously such problems as unemployment, income maintenance, the provision of adequate housing, and the capacity of the education system to equip all members of the community with the necessary skills and knowledge to cope with the demands of adult family life, particularly the increasing social isolation and fragmentation of families arising from industrial and economic change. It also means that effective and accessible community-based family support services must be available where children are at risk of being removed from their families and placed in substitute care.

### **Incidence of child abuse**

**1.30** A matter of particular concern to many contributing to the inquiry was the apparent increasing incidence of child abuse within the community. In defining child abuse it is necessary to recognise the varied nature of this problem. Child abuse may occur through acts of commission (i.e. instances of active abuse of a child by a parent or guardian either through physical violence, sexual abuse or exploitation) or through acts of omission (i.e. where there is a failure by a parent or guardian to provide sufficient material or emotional support for a child). Until recently, definitions of child abuse have tended to concentrate chiefly on physical cruelty on the part of parents — the ‘battered child’ syndrome.<sup>29</sup> The definition has now been broadened to include the behaviour not only of parents but also of other caregivers who have responsibility for children, for example, the State as the custodian of the welfare of children placed under guardianship, teachers and others.

**1.31** Child abuse is not a new phenomenon but has aroused deep public concern in recent years largely because of the increasing awareness amongst the medical and legal professions, psychologists, social workers, residential child care personnel and others of the prevalence of the problem. This concern has led to the formation in many Western countries, including Australia, of child protection societies. Most State governments in Australia have now introduced mandatory reporting systems in which medical practitioners and, in some cases, others in public positions such as nurses, dentists, police officers, teachers and child care workers are required to notify either State welfare

departments or child protection agencies of incidents of child abuse. Most welfare departments have also established special child protection units in recognition of the growing and widespread nature of this problem. National and international conferences have also been convened to address this issue. Forthcoming meetings in Australia include two national conferences to be held in Canberra by the Australian Institute of Criminology — one on domestic violence in November 1985 and the other on child abuse in February 1986. The Sixth International Congress on Child Abuse and Neglect organised by the International Society for the Prevention of Child Abuse will also be held in Australia in 1986.

**1.32** It is not possible to estimate the incidence of child abuse in Australia as no national figures are collected. Even in those States where reporting is mandatory and where compulsory reporting provisions have increased the number of cases being brought to official notice, the number of cases is believed to be seriously under-reported.<sup>30</sup> In 1977 the Royal Commission on Human Relationships reported that 13 500 cases of child abuse occurred each year throughout Australia.<sup>31</sup> One writer in this field has estimated that this figure is more likely to be in the vicinity of 46 000 cases annually.<sup>32</sup> In 1984 the New South Wales Department of Youth and Community Services reported 11 318 cases of child abuse in that State alone.<sup>33</sup>

**1.33** In relation to the specific area of sexual abuse of children, again, only a small proportion of such offences is reported; it is believed the figure of reported cases could be as low as 10 per cent.<sup>34</sup> Statistics from both Australia and overseas indicate that 90 per cent of cases of sexual offences against children are committed by close family members — usually the natural father — and that girls are the victims in eight out of ten cases. Moreover, the offenders often have no apparent psychiatric disorders and appear to be 'average' members of the community. They also tend to be representative of the widest socio-economic spectrum.<sup>35</sup>

**1.34** In addition to the paucity of comparable data available at the national level in this area in Australia, a number of other difficulties relating to the prevention of child abuse were brought to the Committee's attention. These included the inadequacy of present reporting methods, the inappropriateness of present legal procedures used in child abuse cases, the ineffectiveness of existing social welfare agencies to deal with this problem, and the need for legislation covering children's rights. The Committee considers that because the issue of child abuse goes beyond the subject matter of this inquiry and because it is a problem that extends outside the separate jurisdictions of each State and Territory, an inquiry at the national level into the incidence of child abuse and its implications for the community as a whole is warranted.

### **Legal status of children in substitute care**

**1.35** The legal status of children placed in substitute care varies depending on whether a child is placed in care by its natural or adoptive parents acting voluntarily in a private capacity, or by the State acting in accordance with statutory provisions. In the case of voluntary admissions to care, excluding adoption, the legal guardianship of the child normally remains with the natural parents. However, guardianship of a child may be transferred voluntarily from a parent or other guardian to the State as a result of an application by, or with the consent of, a child's parents or custodian.<sup>36</sup> Once a declaration or court order is made in this way it cannot be revoked or cancelled merely because the parents or guardians of the child wish him or her to be returned.<sup>37</sup> In the case of adoption, the guardianship rights of the natural parents are completely and permanently withdrawn and, in terms of the law, the child acquires the status of a child born to the adopting parents. For children admitted to care involuntarily, the legal guardianship of the child is generally transferred from the child's parents or guardians to the State.



**1.36** Children placed under the guardianship — custody, care and control — of the State, excluding adoption and immigration cases, have as their legal guardian the Minister, Director or other official of a State or Territory welfare department. In these cases the guardianship of the child is conferred on the Minister or his delegate under State and Territory legislation other than legislation controlling the adoption of children or the *Immigration (Guardianship of Children) Act 1946*.<sup>38</sup> Cases involving migrant children, such as unaccompanied refugee minors, come within the responsibility of the Minister for Immigration and Ethnic Affairs as soon as they enter Australia. There are at present 454 refugee children under the guardianship of the Minister.<sup>39</sup> In these cases the Minister delegates his guardianship functions to the appropriate State or Territory Director of Welfare who in turn assumes responsibility for these children in the same manner as would be the case for other children placed under the care and control of the State.

**1.37** Legislative arrangements governing the State guardianship of children vary from jurisdiction to jurisdiction as do the policies and practices that are followed by State and Territory welfare departments in the administration of their statutory provisions relating to guardianship. In general, the guardian of a child is granted extensive authority to make major decisions affecting the child such as determining the right of access by the child's natural parents, consenting to medical treatment for the child, permitting the child's marriage to a minor, and approving interstate travel by the child. Under these provisions guardians do not, however, have the authority to permit the adoption of a child without the prior consent of the child's natural parents. The transfer of a child's legal guardianship from his or her natural parents does not necessarily mean that the child's guardian has the actual physical care and control of the child. This is most commonly the case for children placed under the guardianship of the State where the legal authority over the child is vested in the relevant Minister or the Minister's delegate but where the day-to-day care of the child is provided by others.

**1.38** Although most of those under State guardianship are children, that is, persons under the age of 18 years, some may be aged 18 years and over as in the case of certain disabled people who remain under the care and control of the State into adulthood. A majority of children under guardianship are placed in foster homes or in government residential child care establishments; a limited number are placed in non-government care centres; while others live with relatives or independently.

### **Cost of substitute care**

**1.39** The Committee was unable to assess either the overall cost of providing substitute care or the relative costs of various types of care. This was due largely to the lack of uniformity and comparability in figures provided by both government and non-government welfare organisations responsible for the administration of substitute care programs. Costing procedures applied in this area differ widely both in terms of the way accounts are presented and in the nature of items that are included or excluded from such accounts. For example, capital costs will vary between church-based organisations and others if the former have the use of properties, the cost of which has long since been amortised or which have been gifts. Recurrent costs will vary because some organisations are exempt from paying municipal rates and charges. Similarly, if religious staff are engaged to provide care, the operating costs of an organisation which benefits from such contributed services will be significantly lower than those of an organisation which must meet full labour costs. Likewise, cost variations arise from differences in industrial and staffing policies between organisations and between States. Furthermore, some services calculate average running costs on the basis of average occupancy rates, while others calculate costs on the basis of capacity rates. Some organisations also provide a wide range of services that are costed and included in the total care expenditure figure, while

other organisations do not include all services in the accounting process, or may provide only a narrow range of services.

**1.40** Because of these variations in financial procedures, it is not possible to make valid comparisons between the different types of substitute care services or compare costs between the States and between the government and non-government sectors of providing similar types of substitute care. Nevertheless, a number of broad observations relating to the cost of care can be made. There is no doubt that the cost of providing substitute care for children is substantial. For example, it was estimated that in 1980-81 the total cost to the New South Wales Government of providing substitute care was \$50 million or an average amount of \$120 per child per week.<sup>40</sup> It is also clear that institutional care is the most costly form of substitute care while non-institutional care is the least expensive option. In South Australia the cost to the Government of providing residential care in 1980-81 ranged from \$341 to \$1673 per child per week. This compared with an average weekly cost to the Government of \$39 for each child placed in foster care.<sup>41</sup> Figures from New South Wales indicate that the cost of institutional care during the same period ranged from \$260 to \$1150 per child per week, while the cost to the Government of foster care ranged from \$30 to \$34 per child per week.<sup>42</sup>

**1.41** The cost of providing secure residential care is normally greater than the cost of other forms of residential care. Figures for Victoria show that in 1981-82 the average weekly costs per child for children placed in reception centres and youth training centres were \$585 and \$485 respectively, while the average weekly costs per child in government-run institutions and other forms of residential care such as family group homes were \$300 and \$190 respectively. For governments, residential care provided by the non-government sector is a considerably less expensive option than care in government-run institutions. In New South Wales figures show that, for 1980-81, the cost of institutional care provided by the government sector amounted to an average of \$317 per week per child while the average cost to the Government of supporting institutional care provided by the non-government sector amounted to \$38 per week per child. Information from the other States and Territories shows comparable substitute care cost structures and similar variations in costs.<sup>43</sup>

**1.42** The Committee also found that, for disabled children, hospital and nursing home care was the most expensive option in almost every circumstance. Unless 24-hour care is essential to the management of the child's disability, the options of community residential accommodation (such as family group homes) and domiciliary care are significantly more cost-effective than hospital or nursing home accommodation.<sup>44</sup> The cost of community support services for families such as day care also compares favourably with the cost of substitute care services. For example, in 1982 the Office of Child Care estimated that the total cost of providing a full-day place for a child fell within the range of \$35 to \$85 per week.<sup>45</sup>

**1.43** On the basis of the above figures, there is little doubt that the cost to governments of maintaining children in a family environment, notwithstanding payments to foster parents and expenditure on day care, respite care and other family support services, is considerably lower than the cost of providing institutional care for children, particularly in government-operated institutions. Certainly some States, notably South Australia, are making more extensive use of substitute family care systems as an alternative to residential care systems, not only because community-based care systems are seen to be more beneficial to many children in need of substitute care but also because they offer a more cost-effective option. This is a welcome development although it does not mean that the provision of non-institutional forms of substitute care and family support services can or should replace institutional care in all cases.

ENDNOTES

1. The Committee has not examined the role of training centres, therapeutic centres, hospitals, nursing homes, boarding schools and other specialist institutions other than in regard to the provision of residential care.
2. This discrepancy is illustrated best by comparing estimates of the number of children in institutional care made by the Australian Bureau of Statistics and the Department of Social Security in their respective publications: *Children in Care, Australia 1983*, previously *Persons Under Guardianship and Children in Substitute Care, Australia*, Catalogue No. 4410.0, Canberra, July 1985; and Department of Social Security, *Annual Report 1983-84*, pp. 135-36.
3. Australian Bureau of Statistics, *Adoptions, Australia, 1982-83 and 1983-84*, Catalogue No. 4406.0; *Children in Care, Australia*, previously *Persons Under Guardianship and Children in Substitute Care, Australia*, Catalogue No. 4410.0; Department of Social Security, *Annual Report 1983-84*; and State Welfare Department Annual Reports 1972-84.
4. J. Carter, *Protection to Prevention: Child Welfare Policies*, SWRC Reports and Proceedings No. 29, January 1983, Social Welfare Research Centre, University of New South Wales, Sydney, January 1983, p. 24.
5. Comprehensive information concerning the number of children placed under the guardianship of the State from 1982-84 is unavailable as a number of States no longer differentiate between guardianship orders and other official orders in their statistical returns to the Australian Bureau of Statistics.
6. G.Y. Steiner, *The Futility of Family Policy*, The Brookings Institution, Washington, D.C., 1981.
7. Carter, op. cit., pp. 53-56.
8. Australian Institute of Criminology, *Juveniles Under Detention*, No. 7, 7 September 1977 — No. 31, 3 December 1979 and *Persons In Juvenile Corrective Institutions*, No. 1, 12 January 1982 — No. 27, 16 October 1984.
9. Australian Bureau of Statistics, *Persons Under Guardianship and Children in Substitute Care, Australia*, June 1980 — June 1982, Catalogue No. 4405.0.
10. For example, in 1983 the Richmond Report provided information on five hospitals catering for intellectually disabled children in New South Wales which showed that their bed capacity had been reduced annually between 1977 and 1982 by 2 per cent to 5 per cent while net admissions had varied from plus 16 per cent in 1978-79 to minus 23 per cent in 1981-82. For further details see D.T. Richmond, *Report of the Inquiry into the Health Services for the Psychiatrically Ill and Developmentally Disabled*, New South Wales Department of Health, Sydney, March 1983. See also N. Shirayev, 'In-Patient Services for the Mentally Retarded in New South Wales — Some Statistics', in G. McIntyre and T. Parmenter (eds), *Preparation for Life: Programs for Mentally Handicapped People in Australia in the 1980s*, Prentice-Hall, Sydney, 1981.
11. A status offence may be defined as an act of a non-criminal nature which is considered to be an offence if committed by a person of a particular status (e.g. a child). Examples of status offences include truancy, being in moral danger or being uncontrollable.
12. *Transcript of Evidence*, Submissions, p. 1082.
13. Victorian Department of Community Welfare Services, *Annual Report 1981-82*, Victorian Government Printer, Melbourne, 1983.
14. Shirayev, op. cit.
15. J. Ward and others, *A Review of Children in Residential Institutions Program — Report to the Commonwealth Schools Commission*, Special Education Centre, School of Education, Macquarie University, Sydney, October 1984, pp. 19-20.
16. For the purpose of the report, the Committee has used the phrase 'people with disabilities' to describe those persons who have a physical or mental impairment, disability or handicap.
17. *Transcript of Evidence*, Submissions, p. 1083.
18. Australian Bureau of Statistics, *Handicapped Persons, Australia 1981*, Catalogue No. 4343.0, Canberra, October 1982.
19. G. Gregory and N.J. Smith, *Particular Care — The Report of the National Survey of Non-Government Children's Homes and Foster Care (Including Homes for Physically and Intellectually Handicapped Children)*, 30 June 1979, Children's Bureau of Australia, cited in *Transcript of Evidence*, Submissions, p. 1174.
20. For example, since 1976 the New South Wales Health Commission has aimed to establish units for the disabled comprising no more than 30 beds which are generally divided into four or five family units.
21. Committee of Inquiry into Residential Child Care (B. Grant, Chairman), *Report*, Perth, 1976, p. 37.
22. Gregory and Smith, op. cit.; D. Hanson, *Why Are They In Children's Homes?: Report of the ACOSS Children's Home Intake Study*, AGPS, Canberra, 1979; and Ward and others, op. cit. Further information is provided by B.A. English and R.J. King, *Families in Australia*, Family Research Unit, University of New South Wales, Sydney, 1983; and the early work of L.J. Tierney, *Children Who Need Help — A Study of Child Welfare Policy and Administration in Victoria*, Melbourne University Press, Melbourne, 1963.
23. In only 8 per cent of cases was the child's behaviour directly identified as a primary reason for being admitted to care (Gregory and Smith, op. cit., pp. 33 and 51). See also the New South Wales Residential and Alternate Care Task Force (Mr V.J. Dalton, Chairman), *Final Report*, Sydney, February 1982, Appendix C. This report concluded there was overwhelming evidence to show that child-related problems were insignificant compared with parental problems as the basis for a child's admission to care. For other comments on this matter

- see the New South Wales Association of Child Caring Agencies' report, *Young People in Care Speak Out*, Sydney, 1980, p. 11.
24. G.H. Elder, Jr., *Children of the Great Depression*, University of Chicago Press, Chicago, 1974 and 'Historical Change in Life Patterns and Personality', in P. Baltes and O. Brim (eds), *Life-Span Development and Behavior*, Volume 2, Academic Press, New York, 1979.
25. L.D. Steinberg, R. Catalano and P. Dooley, 'Economic Antecedents for Child Abuse and Neglect', *Child Development* 52, 1981, pp. 975-985. See also J. Garbarino, 'A Preliminary Study of Some Ecological Correlates of Child Abuse: The Impact of Socio-economic Stress on Mothers', *Child Development* 47, 1976, pp. 178-85.
26. *Transcript of Evidence*, Submissions, pp. 171-72, 503-04, 529-30, 1427-33. Data collected by the Australian Council of Social Service on the occupational and educational background of the parents as well as the type of family accommodation used, revealed that 17-25 per cent of fathers were unemployed; 80 per cent of mothers, including single mothers, were listed as unemployed; a high proportion of parents in the sample worked in low status manual jobs in comparison with the general population; few parents in the sample had attended school beyond Grade 9; and only 20 per cent of families owned their own home compared with over 70 per cent of the general population.
27. English and King, op. cit.
28. *Transcript of Evidence*, Submissions, pp. 171-72, 503-4, 529-30, 1079-83 and 1427-33; and J. Edwards, G. Gregory and D. Oakley, 'Australian Children in Substitute Care', *Australian Child and Family Welfare* 8, 1, 1983, pp. 10-14.
29. In 1979 the State Welfare Administrators agreed to adopt a common definition of an abused or maltreated child. This defined a non-accidentally injured or maltreated child as 'one who is less than eighteen years of age whose parents or other persons inflict or allow to be inflicted on the child physical injury by other than accidental means or gross deprivation which causes or creates a substantial risk of death, disfigurement, impairment of physical or emotional health or creates or allows to be created a substantial risk of such injury other than by accidental means. This definition includes sexual abuse or sexual exploitation of the child'. For further discussion of the definition of child abuse see J. Hamory, 'Child Abuse: An Overview of Recent Developments' in J. Scutt (ed.), *Violence in the Family*, Australian Institute of Criminology, Canberra, 1980; and Australian Law Reform Commission (Dr J.A. Seymour, Commissioner), *Child Welfare*, Report No. 18, AGPS, Canberra, 1981.
30. *ibid.*, p. 297; and J. Scutt, *Even in the Best of Homes: Violence in the Family*, Penguin, Ringwood, 1983, p. 39.
31. Royal Commission on Human Relationships (Justice Elizabeth Evatt, Chairman), *Final Report Volume 4*, AGPS, Canberra, 1977, p. 163.
32. P. Boss, *On the Side of the Child: An Australian Perspective on Child Abuse*, Fontana-Collins, Melbourne, 1980, p. 72.
33. G. Williams, 'The Vulnerable Children', *The Sydney Morning Herald*, 23 January 1985.
34. B. Naylor, 'The Law and the Child Victim', *Legal Service Bulletin* 10, 1, 1985, p. 12.
35. In the United States evidence suggests that the majority of reported cases of child abuse involve families from lower socio-economic groups, although proportionately more unreported cases may occur in families in higher socio-economic groups. (*Seymour Report*, op. cit., p. 289.)
36. J. Crawford, *Australian Courts of Law*, Oxford University Press, Melbourne, 1982; cited in *Transcript of Evidence*, Submissions, p. 1106.
37. Such orders are, to that extent, coercive and may have to be set aside by judicial order, for example, by the Supreme Court.
38. The principal State and Territory legislation governing the State guardianship of children includes the following Acts: the Child Welfare Act, 1949 (N.S.W.); *Community Welfare Services Act* 1978 (Vic.); *Children's Services Act* 1965-80 (Qld); Children's Protection and Young Offenders Act, 1979-80 and the Community Welfare Act, 1972-80 (S.A.); *Child Welfare Act, 1947* (W.A.); *Child Welfare Act* 1960 and the *Residential Domestic Assistance Act* 1947 (Tas.); *Child Welfare Act* 1980 (N.T.); and the *Child Welfare Ordinance* 1957 (A.C.T.).
39. The 454 refugee children under the guardianship of the Minister for Immigration and Ethnic Affairs are mainly boys aged between 14 and 17 years who have come from camps in Thailand.
40. *Dalton Report*, op. cit., p. 119.
41. *Transcript of Evidence*, Submissions, p. 320.
42. *Transcript of Evidence*, Submissions, p. 1113; and *Dalton Report*, op. cit., p. 116.
43. *Transcript of Evidence*, Submissions, pp. 1114 and 1616.
44. MSJ Keys Young Planners, *Disabled Persons' Accommodation*, Australian Housing Research Council Project No. 119, June 1982, pp. 116-17.
45. *Transcript of Evidence*, Submissions, p. 1114.