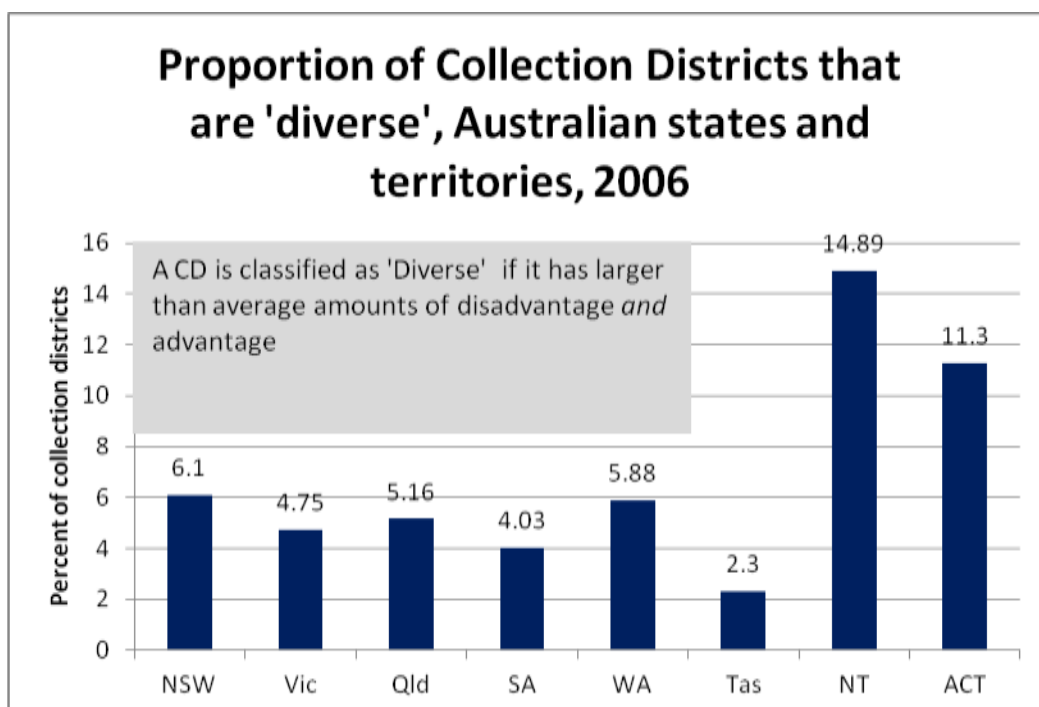A new report by the ACT Government called *Detecting Disadvantage in the ACT* presents a new and improved way of measuring individual disadvantage in the ACT.

Socio-Economic Indexes for Areas (SEIFA) are commonly used measures of advantage and disadvantage produced by the ABS. The *Detecting Disadvantage* report demonstrates how area-measures like SEIFA mask individual circumstances in Canberra. Canberra has highly diverse suburbs (both Red Hill and Reid are examples) with advantaged households in close proximity to disadvantaged households. The ABS reported in 2011 that:

> The Australian Capital Territory and Northern Territory however were consistently highlighted as having a greater proportion of areas with a high incidence of diversity. Moreover, the ACT had a high proportion of the most relatively disadvantaged persons residing in areas classified by SEIFA as being less disadvantaged. (Wise & Matthews, ABS 2011)

The chart below includes the same information:

Proportion of Collection Districts that are 'diverse', Australian states and territories, 2006

A CD is classified as 'Diverse' if it has larger than average amounts of disadvantage *and* advantage

State/Territory	Percent
NSW	6.1
Vic	4.75
Qld	5.16
SA	4.03
WA	5.88
Tas	2.3
NT	14.89
ACT	11.3

In other words, SEIFA masks individual circumstances in the ACT as people who are disadvantaged live in areas that are, overall, more advantaged. Using 2006 Census data, SEIFA identifies around 700 Canberra residents in the most disadvantaged 20 per cent of all Australians. Using a new trial measure, also developed by the ABS called Socio-Economic

Indexes for Individuals or SEIFI, the estimate is that more than 28,000 ACT residents fall in to the category of the most disadvantaged 20 per cent of all Australians. The SEIFI estimate more accurately reflects individual circumstances in the ACT. The analysis also demonstrates the complexities in applying Australia-wide methods of detecting disadvantage in the ACT.

The SEIFI measure provides more detailed information on the distribution of disadvantage compared with the area-based measure. For example, the report identifies that people in the second most disadvantaged category (sometimes termed 'the working poor') tend to be clustered in the Tuggeranong area of the ACT.

The ACT Government will continue to work with ABS to improve measures of individual advantage and disadvantage in the ACT and to avoid SEIFA being used as a proxy. Reliable and accessible data strengthens the ability of the ACT Government to better meet the needs of disadvantaged Canberrans.

The full name of the report is *Detecting Disadvantage in the ACT: Report on the comparative analysis of the SEIFI and SEIFA indexes of relative socio-economic disadvantage in the Australian Capital Territory*. It is available on the Chief Minister and Treasury Directorate website. The data that was used to produce the report is available at the dataACT website.

This project was led by the Community Services Directorate with support from Chief Minister and Treasury Directorate, the Health Directorate, Education and Training Directorate and the Justice and Community Safety Directorate.

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