Inequality and the 'fair go' in Australia

SOCIAL COHESION INSIGHTS SERIES

#01, February 2023 John van Kooy, Senior Research Analyst



The 2022 Mapping Social Cohesion report states that Australians' sense of pride, national belonging, and social justice is on the decline—and, unequivocally, that 'social and economic inequalities are weighing down overall social cohesion.' Is the purported 'Aussie fair go' under threat? This edition of Social Cohesion Insights explores how inequality and perceptions of fairness are related, and how Australians are reacting to these society-wide changes.

Mapping Social Cohesion

Starting in 2007 and administered each year since 2009, the Scanlon Foundation surveys are a unique source of data about how Australians view social cohesion issues. The surveys use a systematic methodology with large samples that provide a strong basis for analysis of subgroups. The **Social Cohesion Insights** series digs deeper into the findings, and provides added context, explanation, and commentary.

Identifying with the nation

Scholars have long argued that identifying with Australia as a nation depends on the perception of a just and fair society, with equal opportunity for all. Ideals of fairness and egalitarianism go hand in hand, and have often been positioned within cultural narratives about what it means to be Australian—there is an expectation that all citizens have their basic needs met² (though this sits uncomfortably alongside inequality and histories of Indigenous dispossession).

While not everyone believes in the 'Aussie fair go' (or knows what it means),³ taking pride in the Australian way of life appears closely linked with the expectation of equal opportunities for social and economic mobility. For example, in

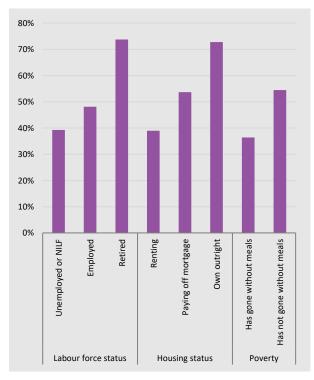
Opposition, former Labor leader Kevin Rudd often used the trope of the 'fair go' when criticising the Howard Government's *WorkChoices* industrial relations reforms.⁴ The industrial relations system in Australia was created to promote 'fair work' through wage setting, awards, labour representation and adjudication; through these mechanisms, Australians expect that the state will moderate income distribution and address inequality.⁵

The results of the Scanlon Foundation surveys show that key indicators of national pride and belonging in Australia are declining. In the first telephone survey administered in 2007, over three-quarters (78%) of Australians felt that they had a strong sense of belonging in Australia; by the time of the 2022 online survey, this proportion had fallen to 53%. Similarly, around 59% of Australians reported that they took pride in the Australian way of life 'to a great extent' in 2007, with only 6% reporting 'not at all'. By 2022, only 38% reported a strong sense of pride, while 17% reported 'not at all'. What could be driving this change?

Household circumstances

As noted in the MSC report, people who were struggling financially in 2022 had a lower sense of belonging than those who were prospering. This was also true of people who were unemployed (compared to people who were employed or retired), and people who were renting or paying off a mortgage (compared to people who owned a house outright) (see Figure 1). People who had gone without meals at any point in the last 12 months were also more likely to have a low sense of belonging in Australia.

Figure 1. Sense of belonging: to a great extent, by economic circumstances, 2022

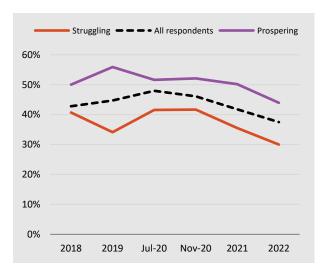


Note: NILF = Not in the labour force.

Inequality has also weighed down respondents' sense of pride in the Australian way of life.

Since online surveys commenced,⁷ people who were struggling financially have had significantly lower levels of national pride than those who were prospering (see Figure 2).

Figure 2. Takes pride in the Australian way of life: to a great extent, by financial circumstances, 2018–22



These findings resonate with international research that shows how inequality can drive down social cohesion — with the risk of adverse

relations between groups, including immigrants and ethnic minorities.⁸ Indeed, previous editions of Social Cohesion Insights have shown that people who are financially struggling have lower levels of trust in others, and are more likely to have negative views about the number of immigrants accepted into Australia.⁹

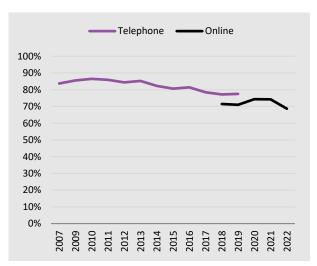
Perceptions of fairness

While individual financial or household circumstances can impact on the sense of pride or belonging in Australia, it can also affect broader perceptions of the 'fair go'.

For example, since 2007, the Scanlon surveys have asked respondents to indicate the extent to which they agree that 'Australia is a land of economic opportunity where in the long run, hard work brings a better life.' The question references the long-standing egalitarian ethos which suggests that all Australians' skills can be utilised for collective well-being.¹⁰

Like belonging and pride, answers to this question have been trending downwards. While the first wave of telephone surveys in 2007 indicated that 84% of respondents agreed or strongly agreed that hard work brings a better life in Australia, by 2022, online surveys showed this proportion had fallen to 69% (see Figure 3).

Figure 3. Australia is a land of opportunity: agree/strongly agree, by survey mode, 2022



A new question introduced to the 2021 survey asked respondents whether they agreed that 'everyone in Australia has a fair chance of

getting the jobs they seek.' This question is reflective of the 'fair go' in the job market. Just over half (in the range 51–55%) of Australians agree or strongly agree with this proposition.

However, there is a strong and statistically significant relationship between responses to these questions and individual economic circumstances. People who are struggling financially, are unemployed or students, or are in rental accommodation have the lowest levels of agreement with Australia being a land of economic opportunity and with everyone getting a fair chance at a job (see Figure 4).

While there are other factors that influence these attitudinal differences — particularly respondents' age bracket — economic inequalities clearly impact on the perception and reality of the Aussie 'fair go'.

Discussion

While belief in the 'fair go' and the Australian way of life may be declining, voting decisions — driven by a sense that things can or should be better — is an important way that Australians can seek to create a more just and fair society.

Recent research analysing survey data from 40 countries (including Australia) has shown that individual perceptions of income or wealth inequality have strong effects on voting decisions.¹¹

Timed just after the 2022 Federal Election, the most recent Scanlon survey asked respondents how they had voted, with results showing that the first preference votes of 2022 respondents

were strongly associated with views on fairness, egalitarianism, pride and a sense of belonging (see Figure 5).

A majority of Labor voters, for instance, disagreed that 'everyone in Australia has a fair chance' in the job market; their vote for the ALP endorsed the party's promised 'landmark' industrial relations reforms. Similarly, while Greens voters had more negative perceptions of fairness and equity (and a lower sense of pride and belonging), their first preferences were also a significant factor in bringing about a change of government.

The trends discussed in this edition of Social Cohesion Insights demonstrate a disconnect between the rhetoric and reality of the Australian 'fair go.' Those who have precarious economic circumstances are much less likely to believe that opportunities are fair and equal in Australia, with possible downstream impacts on the way that they relate to others. Indeed, the author of the 2022 MSC report, Dr James O'Donnell, argues that perceptions of 'social and economic inequalities in Australia weigh down overall social cohesion.' Moreover, key indicators of national pride and belonging in Australia are declining over time.

While voting in elections may reflect an arena where people can bring about change, these findings serve as a reminder that employment, housing, and financial security are deeply linked to an overall sense of belonging and how people identify with the Australian way of life.

Figure 4. Responses to fairness and equal opportunity questions, by economic circumstances, 2022

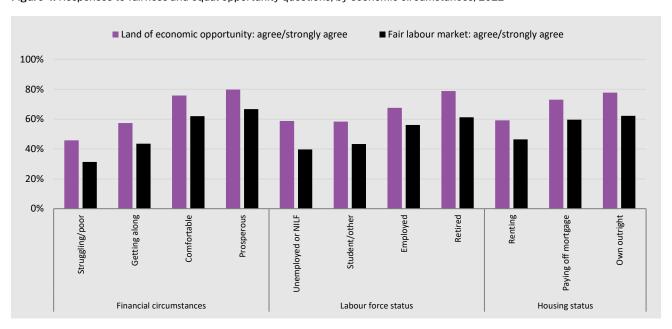
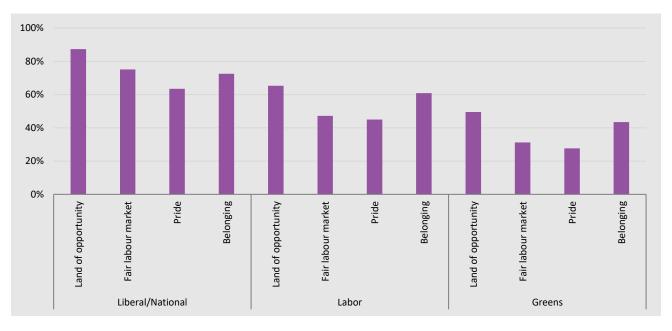


Figure 5. Pride, belonging, fairness and equal opportunity by first preference vote, 2022



References

¹ F. L. Jones, 'Diversities of National Identity in a Multicultural Society: The Australian Case', *National Identities* 2, no. 2 (1 July 2000): 175–86, https://doi.org/10.1080/713687690; Stefanie Plage et al., 'Australianness as Fairness: Implications for Cosmopolitan Encounters', *Journal of Sociology* 53, no. 2 (1 June 2017): 318–33, https://doi.org/10.1177/1440783316667641.

- ² Nicholas Barry, 'In Australia, Land of the "Fair Go", Not Everyone Gets an Equal Slice of the Pie', *The Conversation*, 27 January 2017, http://theconversation.com/in-australia-land-of-the-fair-go-not-everyone-gets-an-equal-slice-of-the-pie-70480.
- ³ Eva Cox, 'We Still Value the Aussie "fair Go" Even If We're Not Quite Sure What It Is', *The Conversation*, 16 May 2011, http://theconversation.com/we-still-value-the-aussie-fair-go-even-if-were-not-quite-sure-what-it-is-1245.
- ⁴ Barry, 'In Australia, Land of the "Fair Go", Not Everyone Gets an Equal Slice of the Pie'.
- ⁵ Rose Butler, 'Children Making Sense of Economic Insecurity: Facework, Fairness and Belonging', *Journal of Sociology* 53, no. 1 (1 March 2017): 94–109, https://doi.org/10.1177/1440783316630113.
- ⁶ From 2017 onwards, the Scanlon surveys began collecting responses from Australia's only probability-based panel, Life in Australia™, via a self-completed survey method. This differs from the interviewer-administered, 'Random Digital Dialling' (RDD) approach used in earlier waves of the survey. According to the theory of social desirability bias, the self-completion method generates more 'truthful' responses to

survey questions than when a participant is required to provide a verbal answer to an interviewer (see Ivar Krumpal, 'Determinants of Social Desirability Bias in Sensitive Surveys: A Literature Review', Quality & Quantity 47, no. 4 (1 June 2013): 2025–47). In the Scanlon surveys, the social desirability effect has resulted in lower scores on a range of indicators.

- ⁷ See Fn. #7 above.
- ⁸ Sarah Jay et al., 'Economic Inequality and the Rise of Far-Right Populism: A Social Psychological Analysis', *Journal of Community & Applied Social Psychology* 29, no. 5 (2019): 418–28, https://doi.org/10.1002/casp.2409.
- ⁹ John van Kooy, 'Trust and Social Cohesion in Australia', Social Cohesion Insights (Scanlon Foundation Research Institute, August 2022),
- https://scanloninstitute.org.au/sites/default/files/2022-08/Social%20Cohesion%20Insights_03_Aug22.pdf; John van Kooy, 'Support for Immigration', Social Cohesion Insights (Scanlon Foundation Research Institute, November 2022).
- $^{\rm 10}$ Plage et al., 'Australianness as Fairness'.
- ¹¹ Markus Knell and Helmut Stix, 'Perceptions of Inequality', *European Journal of Political Economy* 65 (1 December 2020): 101927, https://doi.org/10.1016/j.ejpoleco.2020.101927.
- ¹² James O'Donnell, 'Mapping Social Cohesion' (Scanlon Foundation Research Institute, 2022), 7.