



Legal needs of unemployed people in Australia

Abstract: *Employment status is often seen as a key indicator of disadvantage. This paper summarises fresh evidence from the Legal Australia-Wide (LAW) Survey of a link between employment status and vulnerability to legal problems in the Australian context. Similar to previous studies, the findings show that unemployed people have increased vulnerability to legal problems. They had higher prevalence of legal problems according to several measures, lower levels of taking action, lower levels of seeking advice when they took action and lower levels of favourable outcomes.*

Source

This paper is a simplified excerpt from the report, **Legal Australia-Wide Survey: Legal need in Australia** by Christine Coumarelos, Deborah Macourt, Julie People, Hugh M. McDonald, Zhigang Wei, Reiny Iriana and Stephanie Ramsey (Law and Justice Foundation of NSW, 2012).

About the LAW Survey

The LAW Survey provides a comprehensive assessment of a broad range of legal needs on a representative sample of the population. It covered 129 different types of civil, criminal and family law problems. It examined the nature of legal problems, the pathways to their resolution and the demographic groups that struggle with the weight of their legal problems.

With 20,716 respondents across Australia, including over 2000 in each state/territory, the LAW Survey allows for in-depth analysis at both the state/territory and national level. The major findings were published in a series of nine reports, with a report on Australia as a whole and each state/territory. Some key findings were:

- legal problems are widespread and often have adverse impacts on many life circumstances
- disadvantaged people are particularly vulnerable to legal problems
- many people do nothing to resolve their legal problems and achieve poor outcomes
- most people resolve their legal problems without using lawyers or the formal justice system.

The nine LAW Survey reports are available at:

www.lawfoundation.net.au

Past legal needs surveys provide compelling evidence that people who are unemployed are particularly vulnerable to legal problems and less able to resolve the problems they face.

Currie (2005, 2007) found that people who were unemployed at the time of the interview had a higher overall prevalence of legal problems, and unemployment has been found to increase the likelihood of experiencing various types of legal problems (Pleasence 2006). The unemployed have also been found to have higher rates of inaction (Currie 2007).

Measuring legal needs

A representative sample of 20 716 respondents across Australia aged 15 years or over were interviewed. Respondents were asked whether they had experienced a legal problem in the 12 months prior to interview. The LAW Survey covered 129 different types of civil, criminal and family law problems. These legal problems were categorised into 12 problems groups—accidents, consumer, credit/debt, crime, employment, family, government, health, housing, money, personal injury and rights.

The LAW Survey defined ‘unemployment’ as being out of work and actively looking for work at any time in the previous 12 months. Eleven per cent of the Australian sample reported that they had been unemployed and looking for work at some time during the previous 12 months.

Predicting the prevalence of legal problems

A series of regression analyses were conducted using the Australian LAW Survey data to examine the demographic groups that had increased likelihood of experiencing:

- legal problems overall—that is, increased likelihood of experiencing a legal problem of any type
- substantial legal problems—that is, increased likelihood of experiencing a legal problem that had a ‘moderate’ or ‘severe’ impact on everyday life
- multiple legal problems—that is, increased likelihood of experiencing a greater number of legal problems
- problems from each of the 12 legal problem groups.

The regression results using Australian LAW Survey data replicated past findings that vulnerability to legal problems is not random but varies according to problem type and demographic characteristics. In particular, like a number of past surveys, the LAW Survey showed that several disadvantaged or socially excluded groups had increased vulnerability, and the increased vulnerability of unemployed people was one of the strongest effects. Further details of the findings for Australia as a whole are provided below.

Prevalence of legal problems

In the LAW Survey, employment status was identified as a significant independent predictor of the overall prevalence of legal problems in Australia. Respondents who had been unemployed had odds of experiencing legal problems that were 1.6 times as high as those of other respondents. The percentage of respondents experiencing legal problems was 64 per cent for respondents who had been unemployed compared to 48 per cent for other respondents.

Prevalence of substantial legal problems

In Australia, people who had been unemployed had higher odds of experiencing substantial legal problems. Their odds were 1.8 times as high as those of other respondents.

Prevalence of multiple legal problems

Unemployed people in Australia were significantly more likely to experience multiple legal problems. Their rate of experiencing legal problems was 1.4 times as high as that of other respondents.

Prevalence of different types of legal problems

In Australia, unemployed people had high odds of problems from eight of the 12 problem groups.¹ They had increased prevalence of problems from the following eight problem groups: consumer, credit/debt, crime, family, government, health, housing and rights.

Predicting strategy in response to legal problems

Regression analyses using the Australian data were also conducted to examine how demographic characteristics are related to the strategies used in response to legal problems.

In terms of strategy, the LAW Survey defined three broad strategies that respondents took in response to their legal problems: seeking advice from a legal or non-legal professional, handling problems without professional advice and taking no action. Two regression analyses were conducted on strategy. The first regression analysis examined the likelihood of taking action to resolve legal problems, and the second regression analysis examined the likelihood of seeking advice when action was taken to resolve problems.

In Australia, employment status was a significant independent predictor of the type of strategy used in response to legal problems. Unemployed people had higher levels of inaction. Respondents who had been unemployed had lower odds of taking action (0.8) than other respondents. No action was taken for 22 per cent of problems by respondents who had been unemployed compared to 18 per cent by other respondents. When action was taken, respondents who had been unemployed had lower odds of seeking advice (0.8) than other respondents. Respondents who had been unemployed sought advice for 45 per cent of problems compared to 52 per cent for other respondents.

Predicting outcome of legal problems

A regression analysis examined the relationship between demographic characteristics and whether respondents reported favourable outcomes for their legal problems. Employment status was a significant predictor of the favourability of the outcomes achieved. Although significant, the effect was relatively weak. Respondents who had been unemployed had lower odds of favourable outcomes (0.8) than other respondents. Respondents who had been unemployed reported favourable outcomes for 62 per cent of problems compared to 67 per cent for other respondents.

Conclusion

The LAW Survey shows that unemployed people have increased vulnerability to legal problems. In Australia, unemployed people had increased prevalence of legal problems overall, substantial legal problems, multiple legal problems and problems from the following eight problem groups: consumer, credit/debt, crime, family, government, health, housing and rights. Unemployed people had lower levels of taking action and lower levels of seeking advice when they took action. They also had lower levels of favourable outcomes for their legal problems.

Past research indicates that unemployment, and especially long-term unemployment, is linked to multiple disadvantage and, hence, to a variety of non-legal needs (Cobb-Clarke & Leigh 2009; Gray, Edwards, Hayes & Baxter 2009). Thus, the LAW Survey findings, together with past research, suggest that unemployed people may benefit from well-coordinated legal and non-legal services. In addition, the low levels of taking action and seeking advice found for unemployed people suggest that information and education initiatives may be beneficial in mobilising them to take action and in directing them to relevant advice services.

References

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Endnotes

- ⁱ Employment status was examined as a potential predictor of 11 of the 12 legal problem groups. It was not included in the regression model for the employment problem group because of the co-dependence between the employment status predictor and the employment problem group.