



Youth Action Submission
to the Senate Select
Committee on Cost of Living

May 2023



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Acknowledgment of Country

Youth Action acknowledges the Traditional Custodians of Country throughout Australia. We understand that sovereignty was never ceded and recognise their continuing connection to lands, languages, waters, and cultures.

Our office is located upon the land of the Gadigal people. We recognise their traditional and ongoing Custodianship and pay our respects to Elders past and present.



About Youth Action

Youth Action is the peak organisation representing young people and the services that support them in NSW. We work towards a society where all NSW young people are supported, engaged, valued, and have their rights realised. We represent over 150 Member organisations and regularly engage with young people and youth workers from all over the state, as we have for over 30 years.

We give a particular focus to young people who are regional, First Nations, LGBTIQA+, with disability, from culturally and linguistically diverse communities, including migrants and refugees, and doing it tough. We use a rights-based lens to focus on programs, policy and advocacy that achieve meaningful outcomes, embed strengths-based approaches, and are informed by data and evidence. We are an ally to the self-determination of First Nations communities, are led by the expertise of young people and the Sector, and work to be a trust-worthy partner and collaborator.

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Introduction

Youth Action welcomes the opportunity to make a submission to the Senate Select Committee on Cost of Living. This submission is grounded in the voices and lived experiences of young people across New South Wales who we have heard from through our consultations.

The past three years have been tough for young people in NSW, with the pandemic, fires and floods and ongoing intergenerational inequity. The combination of these events has seen young people fall further behind. These events have caused increased poverty and housing insecurity, homelessness, disengagement from education and an increase in mental health issues. The cost-of-living crisis has compounded these issues and reduced quality of life for many young people.

In the lead up to the March 2023 state election in NSW, Youth Action asked over 1000 young people about the top issues that would influence their vote. Cost of living proved the biggest issue, with 76% of young people selecting it as one of their top three issues. When asked to select their top three cost of living issues, participants selected cost of food and groceries (72%), cost of rent (70%) and utilities including gas and electricity (39%).

It is important for future solutions to take into account the particular challenges that the cost-of-living crisis presents for young people. In particular, young people have told us that they need action on the cost of daily expenses like groceries and petrol, the cost of learning to drive and obtaining a licence, the cost of transport, making housing affordable and better access to bulkbilled health and mental health services.

Young people need a specific focus in the Committee's inquiry as cost-of-living disproportionately impacts young people and exacerbates existing disadvantage. Delayed attention to young peoples ability to access employment, housing and cost-of-living relief will increase the likelihood of longer-term impacts and disadvantages.

Key Recommendations

Over the past 12 months we have heard from over 2000 young people across NSW through 62 consultations and close to 1700 youth sector representatives across 40 occasions. The topics we have heard about include the impact of the pandemic on the lives of young people, youth employment, health and wellbeing, sexual violence, regional drivers, and young people in contact with law and justice systems. We have produced the following reports with findings and recommendations from these consultations: [Bearing the Brunt: Youth Employment and the Pandemic in NSW](#), [Youth Employment Consultations with Young People](#), [COVID Pandemic Recovery: Young People's Perspectives](#) and our recent [Election Platform: What Matters to Young People](#) and the [NSW Youth Alliance 10 Key Asks](#).

These Reports contain a diverse range of recommendations aimed at supporting improved outcomes for young people in NSW across the full spectrum of their life experiences.

Our key recommendations are drawn from these as well as other reports and submissions we have written during the pandemic.

1. Support young people doing it tough by increasing JobSeeker and Youth Allowance by \$76 per day in line with the ACOSS Raise the Rate campaign. This will allow young people to afford rent and other essentials, giving them better capability to maintain their studies and access employment.

2. Introduction of a Youth Job Guarantee to ensure that eligible people are offered a job, paid internship or training opportunity when they register as unemployed.
3. Explore options for tackling the impact that the cost-of-living has had on young people's ability to afford rent. This could include a rent freeze, limits to rental cost increases and addressing the availability of rental stock such as through further investment in Build to Rent schemes.
4. Invest in youth specific homelessness services as a priority to ensure crisis support is available for young people at risk of and experiencing homelessness.
5. Commit to implementing a National Child and Youth Homelessness Strategy, as proposed by youth housing advocates to address the need for a multidisciplinary response that addresses the unique needs of young people at risk of or experiencing homelessness through prevention, early-intervention, crisis responses, long-term responses.
6. Explore options for increasing the provision of bulk-billed appointments under Medicare for all young people up to the age of 24, in particular those with no income or on a low income.
7. Improve the provision of education and information for young people about Medicare, the costs of accessing the health system, and privacy and healthcare rights. This could be made available to young people directly through education institutions or youth programs as well as being available within medical services.
8. Explore options to reduce the burden of growing student debts through abolishing indexations of HECS loans or increasing the minimum repayment threshold.

9. Expand investment in community based learner driver programs to support young people to obtain their learner and provisional licences with a particular focus given to young people in regional areas.

We are aware other advocates such as Orygen have made recommendations about expanding Individual Placement Support programs for young people experiencing mental ill-health into work and study and to target Better Access to low socio-economic groups to access mental health services through funding for psychologists and allied health workers in community-based health and mental health services. Youth Action also supports these recommendations.

Employment and Income Support

Young people impacted by unemployment, precarious employment or who are balancing study with work are especially impacted by the cost-of-living crisis.

Employment

The damage done by youth unemployment is substantial and far-reaching. Poor employment outcomes, particularly early in working life, diminish the lives of all and inflict suffering at a personal and societal level. Without work, individuals do not only lose income; unemployment can affect their job prospects, mental health, and social integration in both the short and long-term. Meanwhile, the cost-of-living crisis exacerbates these existing struggles for many young people doing it tough as their limited income is stretched even further.

Youth employment advocates have long proposed the need for a Youth Job Guarantee to ensure that eligible people are offered either a job, a paid internship, or a training opportunity within a short time of registering as unemployed. Nordic countries, led by Finland, have had youth guarantee policies for almost a decade, and the concept is being adopted in other European countries. A Job Guarantee is not one policy; rather, it entails a suite of both demand- and supply-side policies. An Australian Youth Job Guarantee should include:

- Expanded public sector graduate programs;
- De-privatising and better funding employment services; and
- Personalisation of employment support;
- Private sector job creation programs.

Income Support

The Government could support these young people by increasing JobSeeker and Youth Allowance to accommodate for inflation and cost-of-living pressures. Youth Action supports the ACOSS Raise the Rate campaign to have Jobseeker raised to \$76 per day. This would allow young people to better afford their rent and other essentials, boosting their ability to maintain their studies and access employment.

Housing

Homelessness

The Australian Bureau of Statistics reported in their 2021 census that nearly a quarter (23%) of all people experiencing homelessness were aged from 12 to 24 years. The highest rates of homelessness per 10,000 people in 2021 were for those in the age groups 19–24 years (91 people per 10,000).^a

Between 2016 and 2021 rates of homelessness per 10,000 people decreased across most age groups except for people aged under 12 years (increased to 48 people per 10 000 from 45 in 2016) and people aged 12 to 18 years (increased to 53 people per 10 000 from 51 in 2016).^b

The Specialist Homelessness Services Annual report found that almost 40,000 young people aged 15–24 years presented alone to a homelessness service in 2021–22.^c Young people presenting alone may face additional vulnerabilities that make them more susceptible to homelessness, such as family and domestic violence, mental health issues and problematic drug and/or alcohol use.^d

^a Australian Bureau of Statistics, [Estimating Homelessness: Census](#), accessed 09 May 2023.

^b Ibid.

^c Australian Institute of Health and Welfare (2022) [Specialise Homelessness Services Annual Report](#).

^d Ibid.

Youth Action supports youth homelessness advocates ask for the development of a National Child and Youth Homelessness Strategy to address the need for a multidisciplinary response that addresses the unique needs of young people at risk of or experiencing homelessness through prevention, early-intervention, crisis responses, long-term responses.

For young people currently at risk of or experiencing homelessness, immediate investment in social and community housing specifically designed for young people is needed.

Young Renters

"We will often put ourselves in bad situations because we need a roof over our head."

- young person in consultation for NSW Tenants Union and Youth Action 2021 report,
Young Renters: We hear you!

In the NSW Tenants Union and Youth Action's 2021 Renters Report, we asked about the housing issues that mattered the most to young renters. In our survey, housing affordability was a key issue for our participants, with 84% of respondents selecting the cost of rental properties, with the next most selected issue being the price to buy a home (72%). We found that 63% of respondents were concerned with both the cost of rental properties and the price to buy a home.

The current cost of living crisis has seen the cost of rentals increase while the availability of rental stock dwindles. This has significantly increased the difficulty that young people experience in trying to find a suitable rental property.

Young people told us how affordable properties were frequently of a low quality. They often felt forced to rent properties that were unsafe and unliveable.

“When I was searching for anything under \$400 in Sydney to be close to work, it took a long time because a lot of the properties weren’t in good areas or had issues or were close to unliveable. Think broken cupboard doors, communal laundries in an isolated area of the building, no heating or cooling.”

- young person in consultation for NSW Tenants Union and Youth Action 2021 report,
Young Renters: We hear you!

Government responses need to take into account young people’s ability to access safe and secure housing needs. This includes the need for stable rents, access to available rental properties, young people’s ability to pay rent and increased funding for youth-specific social and community housing.

Measures such as a national rent freeze or other options to limit rent increases in line with inflation would significantly improve cost of living impacts for young people. For policy responses to be successful, they need to respond to the lack of access young people have to secure, affordable and safe housing. Investment in Build to Rent accommodation across the state will help improve availability of rental stock, while also providing young people with increased access to affordable housing.

Access to Healthcare

"It is extremely hard to get into a bulk-billing GP".

"Bulk-billing doctors are not taking new patients."

- young people in consultation for Youth Action's submission to the Senate Standing Committee on Community Affairs with respect to the provision of general practitioner and related primary health services to outer metropolitan, rural and regional Australians in 2021.

Youth Action has heard a great deal from young people about the cost of access to health through our ongoing consultations as well as our Ask for Health Project. One issue we have heard a great deal about in recent consultations is the limited access to bulk billed medical services. Both young people and the youth sector across NSW feel this is at crisis point. Youth Action would like to see greater exploration about the possibility of extending access bulk-billed appointments at a local GP, mental health, and other health services for young people under the age of 24, especially those with no income or on low incomes.

"I have seen first-hand just how important it is to create a system in which young people are comfortable and confident in accessing easy to navigate, affordable health care."

- youth worker in consultation for Youth Action's submission to the Senate Standing Committee on Community Affairs with respect to the provision of general practitioner and related primary health services to outer metropolitan, rural and regional Australians in 2021.

Out-of-pocket expenses present a significant barrier to young people when accessing GPs and other primary related health services. Many young people

felt that GPs were unaffordable and shared their experiences of facing difficulty when looking for a bulkbilling GP. In addition, cost barriers encouraged young people and their families to limit their engagement with GPs and deal with health issues with as few appointments as possible. We heard from young people that finding bulk-billing or affordable services was particularly challenging in the mental health context.

"In some rural and urban areas, health services are quite expensive, which usually put youth off from finding help for their issue. Finding ways for youth to afford and access vital health services will really help some areas that struggle in these times".

"There are GPs in most suburbs but they are expensive".

"You may not have the financial means to pay for the service or the transportation to get there".

- young people in consultation for Youth Action's submission to the Senate Standing Committee on Community Affairs with respect to the provision of general practitioner and related primary health services to outer metropolitan, rural and regional Australians in 2021.

Many young people that we heard from agreed that the cost of seeing a mental health professional such as a psychologist or psychiatrist is a significant barrier to seeking help. They appreciated the subsidised visits that can be accessed using GP referred mental health plan however a number of young people spoke about living with long term, chronic mental health issues that required more appointments than currently provided within a care plan.

“Mental health (treatment) being completely covered under Medicare would be amazing”

- young person, Katoomba Headspace, in consultation for Youth Action's 2022 report, *COVID-19 Pandemic Recovery: Young People's Perspectives*.

The lack of bulkbilling increases the pressure on free health services, especially in areas such as mental health. Young people have spoken to us about difficulties with long waitlists for clinical mental health support. Some waitlists were months long while other services had closed their books. Young people in regional areas reported experiencing limited access to mental health support.

“We have quite a few services available to them [young people] already, but it's the waiting times between having the problem and accessing help for it”

- youth worker, Katoomba Headspace, in consultation for Youth Action's 2022 report, *COVID-19 Pandemic Recovery: Young People's Perspectives*.

“Headspace have long waiting lists.”

- young person, Orange, in consultation for Youth Action's 2022 report, *COVID-19 Pandemic Recovery: Young People's Perspectives*.

“I believe young people find it difficult to access high quality, low-cost or free health care services, particularly mental health services. Often access to these mental health care services in NSW is limited to those who can afford it either through private health insurance, or out of pocket payments. Without access to these services, the mental health of young people is suffering”.

- youth worker in consultation for Youth Action's submission to the Senate Standing Committees on Community Affairs with respect to the provision of general practitioner and related primary health services to outer metropolitan, rural and regional Australians in 2021.

The bulk-billing discretion exercised within medical practices also creates confusion amongst young people and has a prohibitive impact upon access. Where a young person cannot clearly identify whether or not they will be bulk-billed by a service, this can lead to delay or avoidance in treating their health condition. Young people expressed desire for more education and information about Medicare and how it operates, which can assist them in making informed decisions about their healthcare.

Education

The Australia Institute and Youth Action's Youth Unemployment and the Pandemic Report 2021 found that the completion of higher education qualifications are increasingly a prerequisite for access to and successful participation in the labour market. However many young people are dealing with the cost-of-living crisis while also keeping up with a growing student debt burden. To ensure that the financial barriers to tertiary education are removed, fees should be means-tested and study places in priority skill areas should be offered free of charge. Additionally the abolition of indexation of HECS debts and exploring raising the minimum repayment threshold would reduce the impact on young low and middle income graduates.

Cost of accessing driving lessons and other costs associated with learning to drive

“Having a licence increases so many opportunities for young people, including being able to get to appointments, job opportunities and much more.”

- young learner driver from rural and regional NSW in consultation for Youth Action's submission to the NSW Parliament Legislative Assembly Joint Standing Committee on Road Safety inquiry into support for rural and regional learner drivers in 2021.

Youth Action would like to emphasise the critical importance that obtaining a licence has for young people. A licence can act as a 'passport' to education, employment, health services and connection with friends and family. In the current cost-of-living crisis, many young people are unable to access the freedom and independence that driving provides.

Financial hardship can make obtaining a learner licence very difficult as the costs associated make it difficult for some young people to obtain a licence. Costs emerge throughout the licencing process, from getting the required identification documents to test fees and the cost of driving lessons. For an individual without access to a car and supervising driver, the cost of lessons would be approximately \$6,000 (100 lessons at an estimated \$60 per hour).

“Young people who don't have support with families are unable to access driving lessons due to financial barriers.”

“Finances are initially one of the biggest barriers for young people to gain a learner licence.”

- young learner drivers from rural and regional NSW in consultation for Youth Action's submission to the NSW Parliament Legislative Assembly Joint Standing Committee on Road Safety inquiry into support for rural and regional learner drivers in 2021.

Restricted P1 Licence for Regional and Rural Learner Drivers

The NSW Government's Restricted P1 Provisional Licence Pilot allowed young learner drivers from Brewarrina, Walgett, Bourke, Broken Hill, Balranald and Hay to obtain a restricted P1 provisional licence after holding a learner's licence for six months and completing 50 supervised driving hours. Driving is restricted to employment, education and medical purposes only. Such an approach acknowledges the necessity of a driver's licence for young people in rural and regional areas.

Youth Action recommendation explore the feasibility of expanding of this pilot to young people in regional and rural areas across the country.

Expansion of community-based learner driver programs for young people doing it tough

"There is a real need for government funding to aid the assistance for young people to have an option to get help with getting hours up... many young people come from poverty so family are unable to assist with this."

- young learner drivers from rural and regional NSW in consultation for Youth Action's submission to the NSW Parliament Legislative Assembly Joint Standing Committee on Road Safety inquiry into support for rural and regional learner drivers in 2021.

Community based learner driver programs and support have proven to be

effective in supporting young people to obtain their licence and drive safely.

In the Northern Territory, the DriveSafe Program provides participants with driver education inclusive of learner and provisional licence tests, fees and subsidised driving lessons. For young people doing it tough, this provides greater access to obtaining a licence as they don't have to pay high fees for lessons. The program also supports those young people who might not have someone in their life with a full licence and capacity to supervise the required hours. Youth Action believes that community-based learner driver programs like DriveSafe are crucial if young people doing it tough are going to have a chance at obtaining their licence despite the cost-of-living crisis.

Conclusion

Cost-of-living pressures are impacting young people across the full spectrum of their lives. Tackling this requires a comprehensive whole of government response. Young people's voices and experiences needs to be included in the development of solutions to these complex challenges. As presented in this submission, increases to income support, support for youth unemployment, housing reforms to improve access to social and affordable housing, free healthcare, reduced student debt, and support for young people doing it tough to obtain their drivers licence would have a positive impact on young people in NSW and across Australia. Youth Action is happy to provide further information to the Senate Select Committee on the Cost-of-Living Crisis in Australia upon request.