

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



March 2024

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Youth Action first submitted to this inquiry in May 2023. Our submission detailed what we have heard from young people across NSW about their experiences managing the increasing cost of living. This submission detailed employment and income support, housing and homelessness, access to affordable healthcare, education and the cost of accessing driving lessons and other costs associated with obtaining a driver's licence.

Since entering this submission, we have continued to hear from young people and the youth sector about how cost of living is affecting all young people and especially young people doing it tough.

## Young people and energy in the cost-of-living crisis

In 2023 we heard from 2727 young people across the state about a range of issues, many highlighted how they feel disproportionately impacted by the cost-of-living crisis. This was particularly prevalent amongst young people who live independently and young people doing it tough.

In the context of broader cost of living measures targeted at young people, energy assistance for those young people living independently is a measure

that could alleviate the financial burden which young people say frequently forces them to prioritise paying bills over engagement in education and training or access to essential supports such as healthcare. Targeted energy relief also plays a critical role in preventing young people from accruing debt that will follow them.

## Lack of data on young people's energy needs

Youth Action notes that there is a lack of data surrounding young people's uptake of energy assistance programs such the National Energy Bill Relief. There is also a lack of data surrounding young people's uptake of state-based energy relief programs such as the Energy Accounts Payment Assistance (EAPA) scheme for short-term financial hardship and the NSW Low Income Household Rebate.

Many young people are already living out of home and experience short-term or ongoing financial hardship such as low income or precarious income, increasing medical costs, natural disaster which can result in their inability to pay energy bill and being disconnected by their energy provider. However, there is limited information available about young people's experiences with rising energy costs and their access of energy relief schemes. Many young people do not have significant savings that they can fall back on in times of financial hardship and could benefit greatly from the assistance made available through energy relief schemes.

Before energy relief schemes can be adapted to be better available to young people, data needs to be collected on young people's energy needs and the extent to which they are affected by rising energy costs. This is an important starting point needed to assess how inability to cover the cost of energy bills

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impacts young people. Any response should be designed in partnership with young people to ensure it is informed by their lived experience.

## Young people and living arrangements

We have heard from young people that current energy relief favours single family units and young people are not eligible for this relief due to their variety of different living arrangements, such as share housing, student accommodation or paying board to family members. While these young people are not energy account holders, they are often responsible for paying their share of an energy bill. These young people frequently live in rental properties and have limited control over the energy efficiency of their homes, relying on landlords for insulation and efficiency improvements. Those in shared accommodation are also unable to control the energy usage habits of their housemates, restricting their ability to curb energy consumption as a means to manage soaring energy prices.

Youth Action would like to urge the Federal Government to look into how energy relief could be extended to these young people. The current requirement that applicants be the energy account holder excludes many young people doing it tough who could benefit from the various energy relief schemes that they would otherwise be eligible for.

## Young people and awareness of energy assistance schemes

Youth Action urges the Federal Government to also collect data on young people's awareness and familiarity with the energy assistance programs available to them.

Youth Action has heard from young people and services who support them that they are struggling to pay for essentials such as groceries and utilities but are unaware of the payment assistance available to them, with some using BNPL to cover the costs of these essentials. You can learn more about young people's experiences using BNPL in our report [Young people and BNPL](#).

Youth Action would like to see the committee hear from young people about their experiences regarding the cost-of-living crisis and soaring energy prices. Young people should inform any changes to energy accounts assistance schemes to ensure that as many young people can benefit from it as possible, and that awareness raising of the scheme reaches those young people that need it.

## Recommendation

*The Federal Government needs to work in partnership with state governments to assess young people's needs in relation to the rising costs of energy bills in Australia. Governments need to assess how young people are paying their bills, including through the use of Buy Now Pay Later (BNPL) products, which groups of young people are affected the most by energy bill stress and the extent to which young people are currently aware of and accessing relief options. Creation of energy relief options needs to be done in partnership with young people who are best placed to inform how energy relief can cater specifically to their unique living situations.*