

# Enable all young people to have a safe and affordable place to call home

Every young person in NSW should have an affordable and secure place to call home. Housing impacts on all aspects of a young person's life such as health and wellbeing, access to education and skill development, and work opportunities.

For young people in NSW, high rental costs, low incomes, insecure share housing, and the lack of affordable housing and social housing stock all make having a place to live a challenge. While some young people are staying at home for longer, others don't have the option.

**In the last ten years in NSW, homelessness amongst young people aged 18–24 has increased by 92%.<sup>1</sup>**



**In 2016, there were 9,048 young people experiencing homelessness in NSW.<sup>2</sup>**



**More than half of young people under 24 continue to experience housing stress.<sup>3</sup>**



## NSW GOVERNMENT CAN:

### Support first home buyers by:

- Investing in the social and affordable housing that Australia needs.
- Prioritising first home-buyers over property speculators by resetting the tax system.

### Secure a better deal for renters by:

- Prohibiting 'no grounds' evictions in the NSW Rental Tenancies Act 2010
- Tightening regulations around applications for rentals to stop discrimination.

### Plan to end homelessness by:

- Addressing all the drivers of homelessness, including the lack of affordable housing, poverty and family violence.
- Rapidly rehousing people who are homeless and help them stay there.
- Addressing the over-representation of Aboriginal people among the homeless.
- Committing to ending homelessness by 2030 in negotiation with federal, state and territory governments by taking action to prevent homelessness and delivering rapid access to the housing and support people need if they do lose their own home.
- Improving access to early intervention programs that identify young people at risk before they reach crisis point.
- Expanding funding for long-term transitional services that include wrap-around support based on models designed and proven to work with young people

Stable, affordable and suitable housing is necessary to ensure a young person's economic, mental, physical and social wellbeing early in life. It is also connected to a positive sense of self, good health, social cohesion and educational completion. However, in NSW it is notoriously difficult for young people to attain stable housing and they are increasingly becoming long-term renters because rising housing prices lock them out of the market. Young people in NSW should have access to stable, affordable and appropriate housing options, and rarely find themselves at risk of homelessness.

When it comes to accessing housing generally, young people face barriers and discrimination. High rental costs, low incomes, insecure share housing, and the lack of affordable housing and social housing stock all make independent living a challenge for many young people. While some young people are staying at home for longer, for others this simply is not an option.

### **MORE YOUNG PEOPLE ARE RENTING IN AN INCREASINGLY UNAFFORDABLE AND INSECURE MARKET**

With homeownership falling for younger people,<sup>4</sup> more young people are renting. With a generation potentially destined to be 'permanent renters,' renting needs to be affordable, safe and secure. There was a 14.1% increase in young households renting (aged between 15–24 years) from 2005–2012.<sup>5</sup> Indeed, in 2012, 77.7% of households headed by 15–24-year-olds in Australia were renting in the private rental market.<sup>6</sup>

The rental market is also becoming increasingly unviable for young people due to problems with the affordability and stability of renting in NSW. According to the Australian Housing and Urban Research Institute (AHURI), four out of five 'very low-income' households pay an unaffordable rent.<sup>7</sup> In 2018, only two out of 67,000 rental properties surveyed were 'affordable' to a young person receiving Youth Allowance or Newstart.<sup>8</sup>

Young people also tend to be low income earners. Young people are at a point in their lives in which they are employed part-time or casually, in part to enable flexibility for study commitments or to undertake apprenticeships. On average, those in full-time employment earn between \$600–\$900 per week, and those in part-time employment earn around \$180–\$380.<sup>9</sup> A quarter of low-income households pay rent in excess of 50% of their total income.<sup>10</sup> More than half of young people under 24 continue to experience housing stress even after receiving government-funded rental support.<sup>11</sup> In 2017, young people were hit the hardest by financial stress, with 50% of young people aged 18–29 having difficulty paying for the necessities – like food, rent or bills.<sup>12</sup>

This lack of affordable housing has resulted in concerning trends such as overcrowding, shared accommodation and informal leases. Rental accommodation is insecure in tenure, and young people are seen by landlords as 'risky.' As a result, it becomes increasingly difficult for young people to access what little affordable rental accommodation there is.

Discrimination is real for young people in the rental market. In a nationally representative survey, young people were 14% more likely to experience discrimination in relation to their age and were more likely to say they were discriminated against (55%) compared with those over the age of 35 – particularly in regard to their age (22%).<sup>13</sup>

In NSW, the Residential Tenancies Act 2010 allows landlords to evict tenants without requiring a reason. While recent changes to NSW legislation has been positive for renters, unfair 'no grounds' evictions and room for discrimination still exist. Research shows that 8% of Australians have experienced a 'no grounds' eviction during their rental history.<sup>14</sup> These kinds of legal loopholes leave renters, especially young renters, vulnerable to housing instability and discrimination.

Another significant issue is the short-term nature of rental tenancies. Over two million people rent in NSW, and it is estimated that 83% are on a no fixed term lease.<sup>15</sup>

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## **A NSW GOVERNMENT CAN (AS RECOMMENDED BY EVERYBODY'S HOME):**

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- Prioritising first home-buyers over property speculators by resetting the tax system.

### **Secure a better deal for renters by:**

- Prohibiting 'no grounds' evictions in the NSW Rental Tenancies Act 2010.
- Tightening regulations around applications for rentals to stop discrimination.

## **YOUTH HOMELESSNESS IS INCREASING**

Housing and rental unaffordability and insecurity are some of the factors that have increased the risk of youth homelessness. Young people are particularly vulnerable to homelessness.<sup>16</sup> More young people experience homelessness in NSW than in any other state, and in 2016 there were 9,048 young people 12–24 experiencing homelessness in NSW.<sup>17</sup>

Young people are overrepresented in the homelessness population, representing approximately 25% of the homelessness population in NSW,<sup>18</sup> despite only being 18% of the NSW population.<sup>19</sup> Youth homelessness figures are also generally accepted as vastly underestimated, with ongoing difficulties in accounting for those who are, for example, couch surfing or living in overcrowded accommodation.

Homelessness does not affect every young person equally and particular groups face higher risks. It is therefore essential that housing and homelessness

services are culturally appropriate and aware of needs that are specific to particular groups.

Homelessness amongst young people costs Australia an estimated \$747 million extra per year in costs to the medical and criminal justice systems. This is in addition to the costs of providing specialist housing services.<sup>20</sup> Providing better pathways into safe and secure long-term housing will not only benefit young people, it will also benefit governments and community in the form of significant cost savings.

Ensuring that all young people have access to safe, secure housing requires a response from many areas, including federal and state government, the education system and employment providers. It will encompass working within an early intervention model with families and schools, addressing overall housing affordability, and ensuring better transitions out of government institutions such as juvenile justice, psychiatric hospital and OOHC.

Young people require a different model of support and service than adults.<sup>21</sup> Youth-specific services are best placed to support the complex needs and vulnerability of young people who do not have a safe and stable place to live. Given the importance of adolescence and early adulthood for development, it is vital that intervention into homelessness occur as early as possible. Early intervention, outreach, rapid rehousing and ongoing support will greatly assist young people to transition out of homelessness. This should involve partnering with schools, other educational institutions, the community and youth organisations, to identify young people who are at risk of homelessness early.

Generalist youth services are essential services in relation to preventing and intervening early for young people at risk of homelessness. Their role is to form relationships and provide service to enhance the protective assets in young people's lives, as well as support them intensively in times of need. These services are different to the specialist programs that provide housing and support

to attain housing. Despite this, young people approach youth services for support for housing and homelessness. Services also work with correlates of homelessness including particularly family breakdown, family/household violence and relationship breakdown or violence; but also drug and alcohol support needs, mental health needs, and needs associated with exclusion from education, training and employment.<sup>22</sup>

Homeless young people, rental stress and poverty, as well as the decrease in homeownership, are interrelated products of poor housing affordability.

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### **THE NSW GOVERNMENT CAN (AS RECOMMENDED BY EVERYBODY'S HOME):**

- Address all the drivers of homelessness, including the lack of affordable housing, poverty and family violence.
- Rapidly rehouse people who are homeless and help them stay there.
- Address the over-representation of Aboriginal people.
- Commit to ending homelessness by 203 in negotiation with federal, state and territory governments, by taking action to prevent homelessness and delivering rapid access to the housing and support people need if they do lose their own home.

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### **THE NSW GOVERNMENT CAN:**

- Improve access to early intervention programs that identify young people at risk before they reach crisis point.
- Expand funding for long-term transitional services that include wrap-around support based on models designed and proven to work with young people.

## ENDNOTES

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