

Starved of Opportunity.

Young people's experience of Youth Allowance and Newstart

Introduction.

Income support payments provided to people who are looking for paid work, studying or caring for children have been widely recognised as inadequate. At \$40 or less a day, Newstart, Youth Allowance and related payments are not enough to cover the cost of living.

Young people who are studying or looking for paid work generally receive Youth Allowance (student/apprentice or Other) or Newstart or Austudy/Abstudy depending on their age. Youth Allowance, Austudy and Abstudy are paid at a lower rate to Newstart at \$32.50 a day or \$11,830 per year. These payments are less than a third of the minimum wage. It is for this reason that the biggest risk to living in poverty in Australia is to receive Youth Allowance or its equivalent, with 64% of households headed by someone relying on this payment as their main source of income are living in poverty.

The Raise the Rate campaign aims to increase Newstart, Youth Allowance and related payments by a minimum of \$75pw. Although the campaign calls for an increase in Youth Allowance and other payments for young people, young people's voices have not been clearly heard in the debate. The National Union of Students (NUS), Young Campaigns and the Australian Council of Social Service (ACOSS) developed this survey to shed light on young people's experience of living on allowances, and raise their voice in the debate.

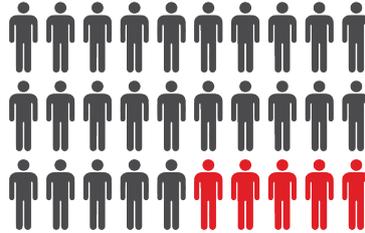
The survey results overwhelmingly show that the low rates of Youth Allowance and Newstart are putting young people behind, and for many, jeopardise their education opportunities.

Young people receiving allowances are trying to build a future for themselves through studying, training, and seeking out paid work. They should be supported to get through their studies and find a job; not forced into a spiral of poverty. As demonstrated by the survey results, our current allowance system is not working for young people. This is why there is an urgent need for the Australian Government to increase allowances by a minimum of \$75 per week to help all recipients, young and old, get through tough times.

Summary of key results

The survey had a total of 862 participants, all within the ages of 16-30 and receiving some sort of income support payment.

Of the participants:



75.2%

Receive Youth Allowance

19.4%

Receive Newstart

62% had less than \$100 per week left after paying rent.

This equates to about **\$14 per day** for other expenses, including food.

89.4% of participants had less than \$200 per week left after rent.

51.1% of participants have had to couch surf or use other forms of unstable accommodation.

"I lived in my car for six months because I couldn't afford my rent."

- 21 year old on Youth Allowance

89.9% of participants said they had to **skip at least one meal a week**.

21.8% of participants said that they had to skip meals everyday, with almost **30%** of participants reporting that they **skipped 6 or more meals every week**.

80.1% of participants have struggled with costs for **essential study items** and course fees.

35.2% of participants have had to withdraw from studies due to financial stress

"Sometimes I can't focus due to hunger, because travelling to class used money I needed for groceries"

- 23 year old on Youth Allowance

92% of participants said that the low rate of payments made them feel isolated.

90.7% of participants said it negatively impacted their mental health.

"I haven't been able to afford my antidepressants on occasion, I can't afford to socialise with my friends, I have to constantly borrow money from people which damages our relationships."

- 20 year old on Youth Allowance

73% of participants said they struggled accessing essential services, such as filling prescriptions, or seeing much-needed specialists.

"I had to stop taking my antidepressants because I couldn't afford to fill the script. I had to stop buying my skin products because I couldn't afford them leading to my severe and painful acne returning. I hurt my back and couldn't see anyone about it because I couldn't afford to."

- 22 year old on Youth Allowance

74% of participants said it had been over a year since they saw a dentist.

47.9% said it had been more than 2 years.

"I am currently on a waiting list to have all four of my wisdom teeth removed via surgery as they were causing an immense amount of pain. The medication prescribed for this was very expensive, but the surgery itself exceeded \$4,000. Which I couldn't pay, so I now have to wait a minimum of 1.5 years."

- 19 year old on Youth Allowance

When asked how a \$75/week raise to Newstart or Youth Allowance would impact their lives, participants responded with qualitative responses, outlining simple ways it would improve their lives, such as being able to afford more groceries and to spend more time with friends and family.

"I would be much better off, I could pay for Medications, therapy, school supplies, and better food."

- 21 year old on Youth Allowance

The Survey

This survey was put together by the National Union of Students, Young and the Australian Council of Social Service. It was conducted over a four-week period beginning October 18th.

The survey was developed using Survey Monkey and distributed via Facebook and Twitter. The survey targeted young people aged 16-31 who receive Youth Allowance, Newstart or some other allowance payment (eg., Austudy, Abstudy, etc.).

862 people between the ages of 16-30 submitted a response.
The questions are in appendix 1.

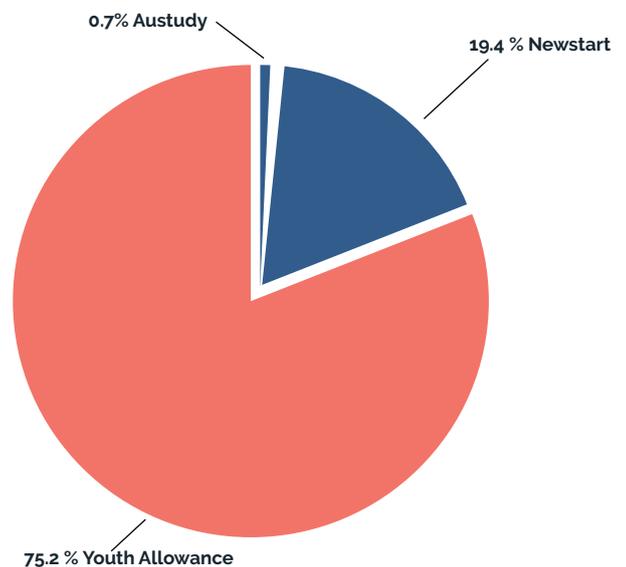
Results

Of those surveyed, 862 responded to Question 1 asking what type of payment they received.

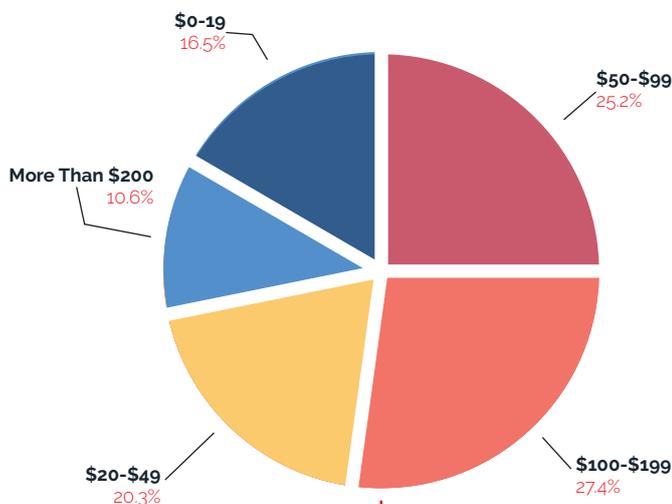
75.2% receive Youth Allowance,
19.4% receive Newstart.

The remaining responses were people who received different payments, such as Austudy or Disability Support Payment, or a combination of payments.

What Payment are you receiving?



On average, how much income do you have left per week after paying rent (if applicable)?



813 People responded to Question 2, asking: if applicable, on average, how much income do they have left per week after paying their rent.

Of those that responded, **62%** had less than \$100/week left after rent. This means that **62%** live on less than **\$15 per day**.

89.4% had less than **\$200/week**

Food and Housing Security

When asked whether they've ever had to couch surf or use other forms of unstable housing or accommodation, 852 people responded.

51.1% responded yes.

46% responded no.

The remaining responses included responses which highlight the respondents difficult or unstable housing arrangements.



I don't have enough money so I couch surf so that way I at least get one meal a day.”

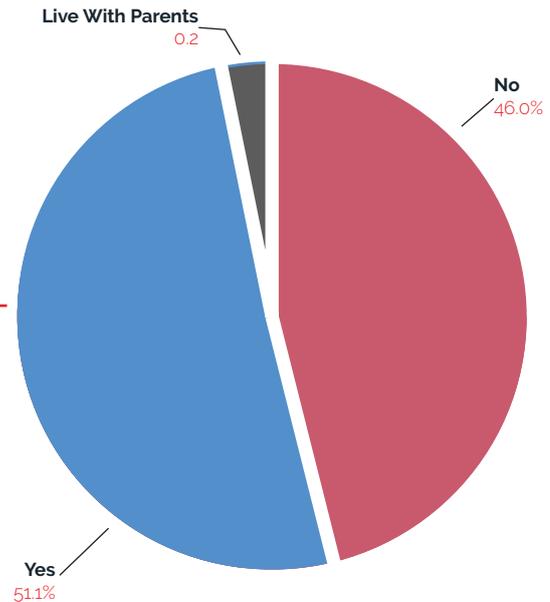
- 19 year old on Youth Allowance



I lived in my car for six months because I couldn't afford my rent.”

- 21 year old on Youth Allowance

Have you ever had to couch-surf or use other unstable forms of accommodation?

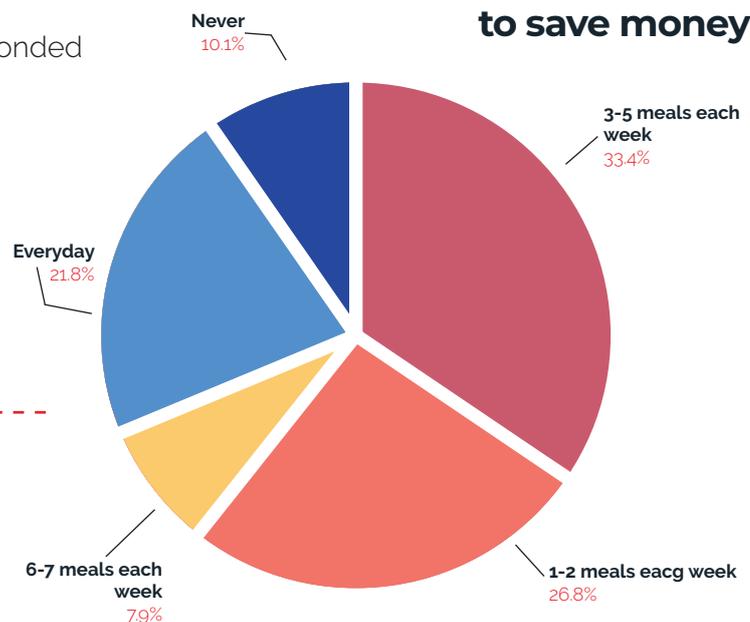


When asked how often the respondent had to skip meals to save money or because they couldn't afford it, 859 people responded.

21.8% (more than 1 in 5) of those who responded said that they had to skip meals everyday.

Almost 30% of respondents skipped 6 or more meals every week.

How often do you skip meals to save money?



Impacts on Education

The survey then asked participants about their studies.

We asked if they had ever struggled with purchasing necessary study items, or other costs associated with education.

862 people between the ages of 16-30 submitted a response.

The questions are in appendix 1.

853 people responded in total, 80.1% of which said that yes, they struggled with cost for essential study items and fees.

“

I couldn't afford my kit for my studies, which ended in me failing. ”

- 18 year old on Youth Allowance

“

Sometimes I can't focus due to hunger, because travelling to class used money I needed for groceries. ”

- 23 year old on Youth Allowance

When asked whether participants ever had to withdraw from studies due to its cost, 858 people responded

35.2% said yes

36.8% said they have seriously considered it.

“

I was forced to withdraw from a course due to lack of money to get to and from a work placement. ”

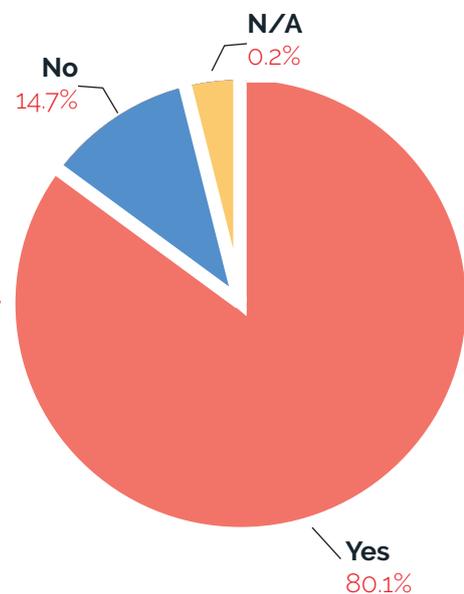
- 21 year old on Youth Allowance

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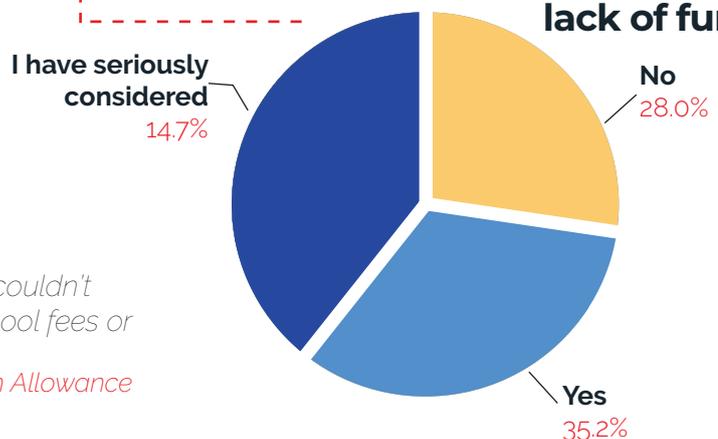
I had to drop out of year 12 because I couldn't afford to pay for my school books, school fees or any other activities. ”

- 19 year old on Youth Allowance

Do you ever struggle with the cost of textbooks, equipment, course fees, and other educational expenses



Have you ever had to withdraw from your studies or training course because of a lack of funds?



Impacts on Mental Health

When asked if the low rate of YA/Newstart/ other payments made them feel isolated, 858 people responded.

92% of people said yes.

“

I feel like I'm not actually part of my group. I'm an outcast and a loser and people feel bad so they buy things for me and that makes me feel worse. ”

- 18 year old on Youth Allowance

“

I haven't been able to afford my antidepressants on occasion, I can't afford to socialise with my friends, I have to constantly borrow money from people which damages our relationships.” ”

- 20 year old on Youth

“

Prolonged financial stress combined with social isolation from having to decline invitations leaves you exhausted and with no one to turn to. It's embarrassing to be so financially strained.” ”

- 22 year old on Youth Allowance

When participants were asked if they thought the low rate of YA/Newstart had a negative impact on their mental health, 858 people responded.

90.7% of participants said yes.

“

I can't afford medications for my mental health conditions and not being able to go to local activities leads to my mental health problems. ”

- 16 year old on Youth Allowance

“

I have considered suicide several times because I feel so worthless for being on newstart. I always get stereotyped by society as a drug user, alcoholic or just someone who doesn't want a job. It messes with your brain. ”

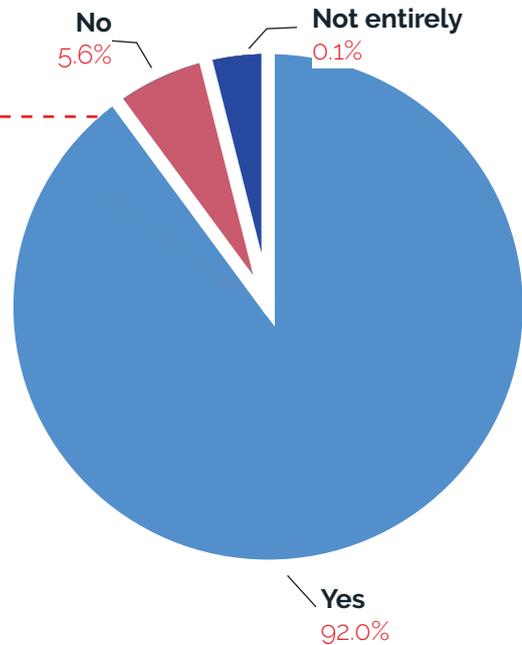
- 24 year old on Newstart

“

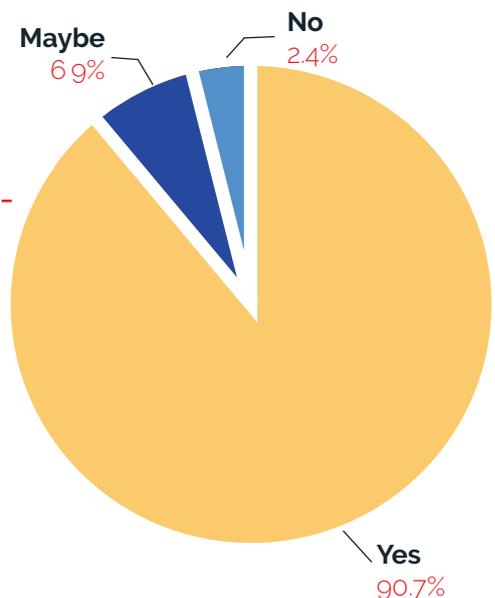
I haven't seen my psychologist because it's too expensive and I have to choose between seeing him and eating this week. ”

- 20 year old on Youth Allowance

Does the low rate of Youth Allowance or Newstart make you feel isolated from your peers?



Do you think the low rate of Newstart / Youth Allowance negatively impacts your mental health?

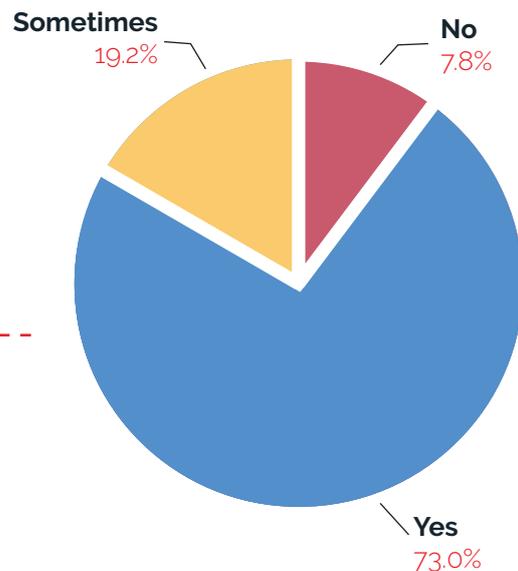


Accessing Essential Services

When asked whether participants struggled with accessing necessary services such as seeing a specialist, buying medication or seeing the dentist, etc, 858 of the participants responded.

73% of participants said yes, with 19.2% saying that they sometimes struggled.

Do you struggle with accessing necessary services due to your finances? (i.e filling prescriptions, seeing a specialist)

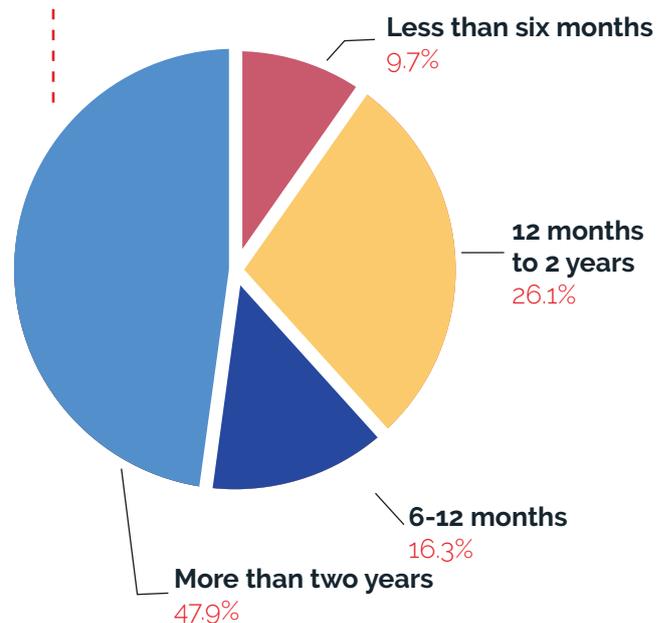


When asked how long it had been since the participant had been able to see a dentist, 858 people responded.

74% of participants said it had been over a year.

47.9% said it had been more than 2 years.

How long has it been since you were last able to see a dentist?



“

I am currently on a waiting list to have all four of my wisdom teeth removed via surgery as they were causing an immense amount of pain. The medication prescribed for this was very expensive, but the surgery itself exceeded \$4,000. Which I couldn't pay, so I now have to wait a minimum of 15 years.

- 19 year old on Youth Allowance

If Newstart/Youth Allowance was increased by \$75 a week, how would your life change?

"It could go on my myki so I could actually get to job interviews. It could buy me those pads I need. It would help a lot."

- 21 year old on Youth Allowance

"I would be able to eat every day, buy my medications"

- 21 year old on Youth Allowance

"I could afford more food. Possibly go out and be social more, and maybe see a psychologist more."

- 21 year old on Youth Allowance

"I would be much better off, I could pay for Medications, therapy, school supplies, and better food."

- 21 year old on Youth Allowance

"I could get the medication I need and actually start getting better."

- 21 year old on Youth Allowance

Appendix 1.

The questions were the following

- On average, how much income do you have left per week after paying your rent (if applicable)?
- Have you ever had to couch-surf or use other unstable forms of accommodation?
 - If yes, can you say more about that experience?
- How often do you skip meals to save money?
- Do you ever struggle with the cost of textbooks, equipment, course fees, and other educational expenses?
- Have you ever had to withdraw from your studies or training course because of a lack of funds?
- Can you say more about how the low rate of Youth Allowance has impacted your studies?
- To save money I regularly: (please tick any and all boxes that apply)
- Does the low rate of Youth Allowance or Newstart make you feel isolated from your peers?
- Do you think the low rate of Newstart / Youth Allowance negatively impacts your mental health?
 - Can you say more about that?
- Do you struggle with accessing necessary services due to your finances? (i.e filling prescriptions, seeing a specialist etc.)
 - If yes, can you provide more detail?
- How long has it been since you last were able to see a dentist?
- Can you say more about your experience of living on these allowances?
- If Newstart/Youth Allowance was increased by \$75 a week, how would your life change? (If applicable)
- Is there anything else you want to say?