

Young renters falling behind as rent rises outstrip income support increases

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Young renters who receive income support in Perth are doing it tougher now than they were a year ago, despite receiving income support increases in the 2023 Budget, with other young renters grappling with a rental affordability crisis that has barely improved.

A new Homelessness Australia analysis cross referencing youth income support against the cost of rentals has prompted urgent calls for increases to income support to tackle the crisis. In its [submission to the forthcoming Commonwealth Budget](#), Homelessness Australia calls for Youth Allowance and other benefits to be increased to the aged pension rate of \$80 a day, along with a 60 per cent increase to Commonwealth Rent Assistance.

The analysis finds a 16-17 year old sharing a property in Perth now forks out 76 per cent of their income compared to 74 per cent one year ago. Sydney has barely improved, declining from 99 per cent to 94 per cent, while in Melbourne, there was also a small decline, from 78 per cent to 73 per cent.

	Total weekly income 16-17 yr old sharer Mar 2023	Total weekly income 16-17 yr old sharer Mar 2024	Share of 2-bedroom unit Mar 23	Share of 2-bedroom unit Mar 24	Percentage income paid in rent Mar 23	Percentage income paid in rent Mar 24
Sydney	\$337.3	\$385.7	\$333.0	\$363.0	99%	94%
Brisbane	\$337.3	\$385.7	\$258.0	\$281.5	76%	73%
Canberra	\$337.3	\$385.7	\$289.5	\$296.5	86%	77%
Perth	\$337.3	\$385.7	\$251.0	\$291.5	74%	76%
Melbourne	\$337.3	\$385.7	\$262.5	\$283.0	78%	73%
Darwin	\$337.3	\$385.7	\$246.0	\$244.0	73%	63%
Hobart	\$337.3	\$385.7	\$249.5	\$230.5	74%	60%
Adelaide	\$337.3	\$385.7	\$200.5	\$226.5	59%	59%

The analysis cross references payment figures from the Department of Social Services against SQM asking rental prices for a two bedroom unit in major metropolitan cities.

“Our housing system is irrevocably broken,” said Kate Colvin. “Anyone caught in the vice-like grip of this housing crisis finds it extremely stressful, but young people receive lower income support than older people, putting them last in the pecking order for securing a tenancy.”



“As these figures show, the housing system is financially stacked against young renters.

“Our policy choices actively conspire to push young people towards homelessness. Right when they need stability to take their first steps in employment or further education they are pushed into poverty, resulting in social exclusion, mental illness and lost lifetime productivity. The costs and consequences of our warped housing system will only escalate for young people and the broader society, unless we make better choices.

“Increasing Youth Allowance and Commonwealth Rent Assistance is not an act of charity or generosity. It is a hard headed investment in young people’s future and the nation’s productivity. We need to get our head around the wisdom of preventing homelessness rather than dealing with the escalating social costs of allowing youth homelessness to escalate.”

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