

28 July 2023

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Submission online via Parliament of Australia website

Re: headspace National submission: Inquiry into the worsening rental crisis in Australia

headspace National welcomes the opportunity to provide a submission to the select committee inquiry on the worsening rental crisis in Australia.

headspace is the National Youth Mental Health Foundation providing early intervention mental health services to 12-25 year olds. headspace has 154 centres across Australia in metropolitan, regional and remote areas, as well as online and phone support services through eheadspace.

Our work builds the mental health literacy of young people and reduces stigma associated with mental health problems and the associated barriers to seeking help. headspace can help young people with mental health, physical health (including sexual health), alcohol and other drug services, and work and study support. Our work also involves supporting schools and their communities with expert advice and guidance on mental health and wellbeing, and responding to loss through suicide, as well as major disaster events. At the heart of all our services are young people, their needs and the needs of those who support them.

Attachment 1 provides headspace National's responses to the Terms of Reference for which headspace can offer insight.

Our response draws on young peoples' concerns about renting and securing stable, affordable housing, and highlights the link between stable, affordable housing and mental health. Young people are already at increased risk of mental ill health and, as it becomes more difficult to access appropriate housing, the impacts on their mental health, financial stress, and disengagement with work and study also increase.

Other key focus areas of our response include:

- refugee and migrant young people and First Nations young people being disproportionately affected by rising rents and poor housing affordability
- the impact of low housing affordability and availability, particularly in regional and rural areas, on the building a youth mental health workforce in areas of need
- the need to strengthen financial support for low-income earners, including through more adequate income support payments and housing support.

headspace would welcome the opportunity to discuss any aspects of our submission further and looks forward to learning of the outcomes of this inquiry.

Yours sincerely

Jason Trethowan
Chief Executive Officer

Attachment 1 - headspace National submission to the Senate Standing Committees on Community Affairs inquiry into the worsening rental crisis

Term of reference (a) – the experience of renters and people seeking rental housing

Many Australians – particularly young people – are facing rising rental costs and decreasing housing affordability. With strong links between mental health and access to secure, affordable and appropriately located housing, the current situation is placing young people under significant pressure. Young people from multicultural backgrounds and Aboriginal and Torres Strait Islander backgrounds are also disproportionately affected by rental affordability and housing insecurity.

Young people who experience homelessness are more likely to experience poor mental health compared to young people in stable housing.¹ Approximately one in 200 Australians experience homelessness on any given night in Australia. Young people are over-represented among this cohort: in the 2021 Census, nearly a quarter of all people experiencing homelessness (122,494 people) were aged from 12 to 24 years. In contrast, people aged 12 to 24 years make up just under 20 per cent of the Australian population.² Further, many young people experiencing homelessness are living in severely crowded dwellings, suggesting that low-income levels and insufficient affordable housing are key factors.³

Simply finding a rental is a challenge currently

Young people are finding it particularly difficult in the current climate to access affordable and appropriate rental accommodation. With low rental availability, real estate agents and landlords will prioritise full time workers with a rental history, and current rental rates make living alone unaffordable. Members of the headspace Youth National Reference Group (hYNRG) said:

I've had pretty negative experiences around finding rentals. Because it's so competitive and there's a shortage, you do have to take whatever you can get and that means maybe spending and working more than might be good for your mental health.

Over the past 3 years, I have had the experience of moving between living at home with my family and living in shared rental properties throughout Melbourne's South East. Throughout these experiences, it has been challenging to find a rental property that fit my needs as a full time student who works multiple jobs. In most cases there is a trade off between location and connectedness with price and the quality of the rental property. Similarly, the most ideal locations also attract huge amounts of attention from other renters. I remember visiting multiple 2 bed room apartments and townhouses for an inspection only to find a line of 30+ other hopefuls. I remember hearing one potential renter say, "We are willing to pay 6 months rent in advance". Situations like this left me feeling pretty despondent, to the point where I would just walk away and head back to my car whenever I saw those huge lines.

¹ Orygen (2020). *A welcome home: Youth homelessness and mental health*. [A-welcome-home \(orygen.org.au\)](https://www.orygen.org.au)

² Orygen (2020). *A welcome home: Youth homelessness and mental health*. [A-welcome-home \(orygen.org.au\)](https://www.orygen.org.au)

³ AHURI (2023). What are the real costs of Australia's housing affordability crisis for young people? [What are the real costs of the housing crisis for Australia's young people? | AHURI](https://www.ahuri.org.au/what-are-the-real-costs-of-the-housing-crisis-for-australia-s-young-people/)

During the 6 months when I was looking for a property, I spent each weekend driving around Melbourne inspecting properties. At the time, I was also living an hour outside of Melbourne. Alongside the cost of fuel, this experience was incredibly taxing to the point where I felt exhausted most days of the week. It became a cycle of researching properties during the week and inspecting them in the early hours of the weekend.

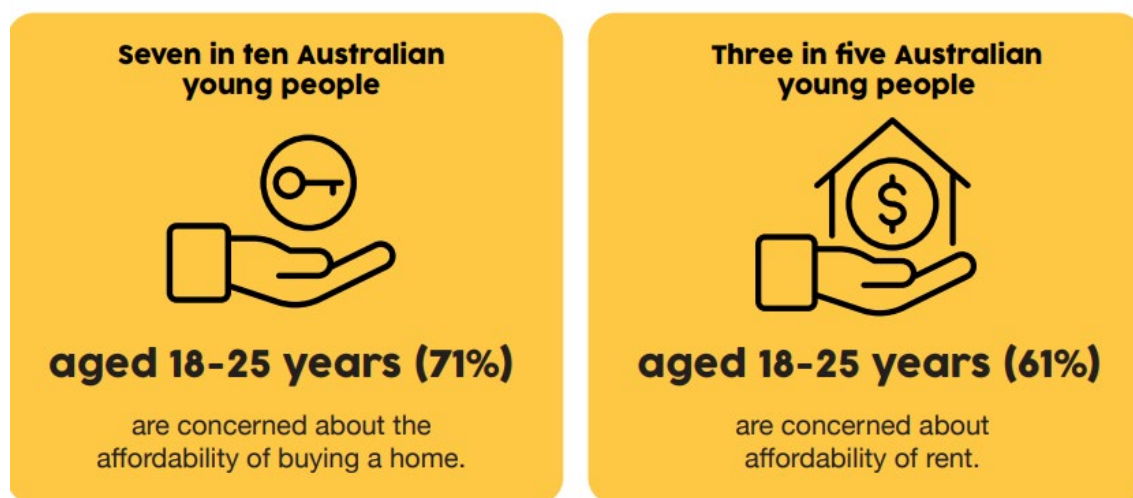
Being a full-time university student provides more hurdles for what affordable really is. Often students have casual or more passive income, therefore are not given priority over other candidates due to financial instability.

Housing affordability is a key concern for young people across Australia

The **National Youth Mental Health Survey** conducted by headspace National in 2022 revealed that housing affordability is the second biggest concern for young Australians, after rising cost of living. Of the 3,107 young people surveyed, 35 per cent said that housing affordability was an issue that urgently needs to be addressed, along with financial instability/cost of living (48 per cent) and homelessness (18 per cent).

More broadly, young people reported being worried about their financial situations. In fact, economic pressure is one of the top 10 perceived reasons for why the mental health of young people in Australia is getting worse over time.

When asked to describe how worried they were about their ability to one day afford their own home, 71 per cent of participants reported they were fairly worried or very worried, while 61 per cent told headspace they were fairly or very worried about the cost of rent.⁴



Other survey results echo these findings. Mission Australia reports that 54.8 per cent of survey respondents were concerned about financial security, and 22 per cent listed economic and financial matters as one of the most important issues in Australia today.⁵

Monash University's 2022 Australian Youth Barometer also highlights the rising cost of living and increases in rent or housing prices as barriers to achieving financial security for young people, with 90 per cent of young Australians surveyed experiencing financial difficulties at some point during the past 12 months.⁶ Many young people felt financial security – or having

⁴ headspace National (2022). *headspace National Youth Mental Health Survey Online Survey – 2022*. (publication pending).

⁵ Mission Australia (2022). *Youth Survey 2022*. <https://www.missionaustralia.com.au/what-we-do/research-impact-policy-advocacy/youth-survey>.

⁶ Walsh, L., Gallo Cordoba, B., Waite, C. & Cutler, B. (2022). *2022 Australian Youth Barometer: Understanding Young People in Australia Today*.

enough income to regularly pay for expenses, and to save without relying on others – may be possible in the future, but difficult to achieve in the immediate future. Rising costs of living, coupled with the challenge of stable and sufficient employment, made financial security a goal rather than current reality.

Housing pressures are amplified for refugee, migrant and First Nations young people

Housing insecurity and cost of living pressures are amplified for refugee and migrant young people, as well as First Nations young people, due to systemic and cultural barriers.

A survey by the Centre for Multicultural Youth found 42 per cent of young people surveyed experienced some housing insecurity in their first five years in Australia and 47 per cent rated their mental health as okay or poor.⁷ Securing employment is often a challenge due to difficulties with skills and qualifications being recognised in Australia and the costs of bridging courses being too prohibitive.⁸ The Australian Government recently capped the number of hours that foreign students can work to 48 hours per fortnight, to be implemented from 1 July 2023.⁹ These factors impact on migrant young peoples' capacity to find and secure affordable housing, with long-lasting impacts on day-to-day living and wellbeing.

First Nations young people are also disproportionately affected by unemployment, low income, barriers to securing rental housing, and higher rates of homelessness, due to longstanding socioeconomic disadvantage stemming from colonisation and discrimination.¹⁰ Data from the 2021 census show the Aboriginal and Torres Strait Islander peoples make up 20 per cent of the homeless population but only an estimated 3.8 per cent of the Australian population.¹¹ Of the estimated 28,173 young people (aged 12 to 24) who were homeless at the time of the census, 23 per cent were First Nations young people.¹² Results from the Mission Australia 2019 youth survey indicated that many more First Nations young people live in inadequate housing compared to non-Indigenous young people (15.7 per cent compared to 4.4 per cent).¹³

Post-secondary education and training for First Nations young people is associated with improved employment outcomes and earning capacity, yet First Nations young people are more likely to leave formal education and training without Year 12 or equivalent. First

⁷ Centre for Multicultural Youth. (2018). *Forging futures: How young people settling in Victoria are faring*. CMY: Melbourne. https://cm.y.wpenenginepowered.com/wp-content/uploads/2019/11/Forging-Futures-SUMMARY-2018_FINAL.pdf.

⁸ Centre for Multicultural Youth. (2014). *Making it work: Refugee Young People and Employment*. CMY: Melbourne.

⁹ Kaul, N. (2023). 'Visa update: Work hours capped for foreign students, extended post-study work rights for eligible courses.' SBS. <https://www.sbs.com.au/language/hindi/en/article/international-students-working-hours-capped-again/3u73nuq8m>.

¹⁰ AIHW (2022). *Indigenous mental health, housing and homelessness*, [Indigenous mental health, housing and homelessness \(indigenoustmhspc.gov.au\)](https://www.indigenoustmhspc.gov.au).

¹¹ Australian Bureau of Statistics, (2023). *Aboriginal and Torres Strait Islander peoples experiencing homelessness*, [Aboriginal and Torres Strait Islander peoples experiencing homelessness | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au); Salvation Army, (2023). *Aboriginal and Torres Strait Islander homelessness statistics*, <https://www.salvationarmy.org.au/homelessness-week/homelessness-statistics/aboriginal-and-torres-strait-islander-homelessness-statistics/>

¹² Australian Bureau of Statistics, (2023). *Aboriginal and Torres Strait Islander peoples experiencing homelessness*, [Aboriginal and Torres Strait Islander peoples experiencing homelessness | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au); Australian Bureau of Statistics, (2023). *Estimating homelessness: Census, Estimating Homelessness: Census, 2021 | Australian Bureau of Statistics (abs.gov.au)*

¹³ Mission Australia (2022). *Youth Survey 2019: National Aboriginal and Torres Strait Islander Youth Report*. [Aboriginal Torres Strait Islander youth report 24 Sept.pdf](https://www.missionaustralia.org.au/youth-survey-2019-national-aboriginal-and-torres-strait-islander-youth-report)

Nations people are overrepresented in statistics on low-income households and this is further pronounced in remote areas.¹⁴

Stable housing is critical for mental health and wellbeing

As well as being a basic human right, secure and stable housing is also essential for a person's mental health. A stable home can provide a sense of safety and belonging. Access to secure, affordable and appropriately located housing helps prevent mental health issues and enables better management and recovery from poor mental health.¹⁵ While stability of housing is key, quality is also important.¹⁶ This is particularly important for young people:

Housing or shelter is one of the few pillars for basic survival. Young people with lack of housing go from thriving to simply surviving. When young people don't have basic needs being met, mental health becomes less of a priority.

Not having stable and affordable housing can be a massive slippery slope – it means young people can't look after their mental health effectively if they are having to work too much or are coping with a lack of housing with strategies that are less helpful (e.g., substances). By not having affordable housing, some young people are encouraged to stay in situations where there may be domestic and family violence. Stable housing means young people can plan for the future through their work and study and have some consistency in a tumultuous time.

My mental health was declining rapidly when living where I previously was as I was unsafe, I didn't feel comfortable and getting declined for rentals just felt like a pressure of being stuck in a place that was not conducive for my physical or mental health.

With rising rental costs, young people in particular can be faced with compromising the quality of their housing choices – whether this be location, housing composition or the quality of the dwelling itself (such as poor security, lighting or ventilation). These compromises impact on young people's mental health – the more housing problems a young person is exposed to, the greater the risks to their mental health.¹⁷

It's about the young people that are living in less than satisfactory living conditions due to no fault of their own and a lack of exit options. This may be unsafe or unsuitable for many reasons, i.e. domestic violence, unsafe surrounding a young persons identity, physical threats of safety, etc.

The added challenge of natural disasters

Recent natural disasters – such as floods and bushfires – substantially exacerbate challenges of finding affordable, stable accommodation.

With limited alternatives, people who lose their home in a natural disaster can find themselves in 'temporary' accommodation – intended for the short term but often stretching from months into years.

¹⁴ Productivity Commission for the Steering Committee for the Review of Government Service Provision. (2020). *Overcoming Disadvantage: Key Indicators 2020: Report*. Commonwealth of Australia.

¹⁵ AHURI, (2018). *Housing, homelessness and mental health: towards system change*. [Housing, homelessness and mental health: towards systems change \(mentalhealthcommission.gov.au\)](https://www.mentalhealthcommission.gov.au); AIHW (2022). *Indigenous mental health, housing and homelessness*, [Indigenous mental health, housing and homelessness \(indigenouasmhspc.gov.au\)](https://www.indigenouasmhspc.gov.au).

¹⁶ AHURI, (2018). *Housing, homelessness and mental health: towards system change*. [Housing, homelessness and mental health: towards systems change \(mentalhealthcommission.gov.au\)](https://www.mentalhealthcommission.gov.au)

¹⁷ Seo, B. & Park, G. (2021). Housing, living arrangements and mental health of young adults in independent living, *International Journal for Environmental Research and Public Health*, 18(10): 5250.

For young people, these temporary accommodation arrangements are less than ideal – they can be exposed to drug and alcohol use or other behaviours that are not helpful for their mental health. These accommodation options are also located away from services, with limited transport options, and can be crowded spaces.

This makes accessing support services such as headspace difficult – it's hard to get to a centre in-person without negotiating transport, and it can be hard to find a private spot at home to access an online service confidentially.

Temporary accommodation during disaster recovery is often located at community centres such as ovals. This can disrupt local sports and other activities that help young people to be mentally healthy, impacting on the broader community.

Source: headspace Schools and Communities disaster response team experiences

Cost of living pressures are strongly aligned with mental health and disengagement with work and study

Rising rents across Australia have coincided with and contributed to broader cost of living increases. These also have a significant impact on young people. This follows the effect of COVID-19 on the financial wellbeing of young people, measured by ability to meet everyday commitments, feeling comfortable about one's financial situation and resilience to financial shocks.¹⁸

For many, the Coronavirus Supplement provided temporary relief and enabled them to afford necessities including rent, food and medical expenses. Many young people, however, were finding it a challenge to secure full-time employment prior to COVID and build their financial security. Now with the Coronavirus Supplement having ceased, young people are again finding it difficult to meet the costs of job searching including phone, internet and travel costs and it is clear that the pandemic will continue to impact on young people's job prospects and financial security in the longer term.¹⁹

There is a strong correlation between mental health problems, financial stress, and disengagement with work and study. Almost one in five young people aged 17-25 accessing headspace centres (over 5,000 young Australians annually) are not engaged in any form of employment, education or training.²⁰ In many regional and rural areas this figure rises to one in three young people.

Participation in education or employment is recognised as a strong protective factor for young people's mental health, whilst non-participation is a major risk factor.²¹ Young people who are disengaged from employment and education are at increased risk of long-lasting negative outcomes including socio-economic exclusion, long-term welfare dependency, and poor mental health.²²

¹⁸ Porter, E. & Bowman, D. (2021). *Shocks and safety nets: financial wellbeing during the COVID-19 crisis*. Research and Policy Centre, Brotherhood of St. Laurence.

¹⁹ National Youth Commission of Australia. (2021). *The youth income guarantee: A fair and accessible income support system for young people*. National Inquiry into Youth Employment and Transitions.

²⁰ Source: headspace Tableau Server. (2020-21)

²¹ Holloway, E., Rickwood, D., Rehm, I., Meyer, D., Griffiths, S., & Telford, N. (2017). *Non-participation in education, employment, and training among young people accessing youth mental health services: demographic and clinical correlates*. *Advances in Mental Health* 16(1): 19-32.

²² Powell, A., Salignac, F., Meltzer, A., Muir, K., & Weier, M. (2018). *Background report on young people's economic engagement*. Sydney, Centre for Social Impact, UNSW; Gore, F.M., Bloem, P.J., Patton, G.C., Ferguson, J., Joseph, V., Coffey, C., Sawyer, S.M., & Mathers, C.D. (2011). *Global burden of disease in young people aged 10–24 years: a systematic analysis*. *The Lancet* 377(9783): 2093-2102.

Term of reference b) – rising rents and rental affordability

Rising rents impact many people – but teenagers and young adults are particularly affected as they have fewer economic resources to pay for high rents.²³ The affordability of housing for those on minimum wage or job seeker payments is at critical levels. In Perth, for example, analysis shows that zero per cent of rental properties were affordable in 2022 for those seeking JobSeeker payments.²⁴

I am also a homelessness case worker that works with a younger demographic of clients – young people are unable to break into the rental market for many reasons including not having prior rental references. A lot of my clients are on lower incomes and the rents in our area are exorbitant compared to a minimum wage income and even if they were able to secure a property they would be unable to sustain this long term without sacrificing other living essentials such as food.

The lack of affordable housing options limits young people's options, making it difficult to escape family violence, or choose to establish an independent identity from their family of origin.

High rents limit young people's ability to escape family violence and increase the likelihood of homelessness

As rental affordability declines, young people's housing choices are more constrained. For some, this can mean delaying moving away from family and establishing an identity independent from the family of origin. For others, critically, it can limit their ability to escape family violence.²⁵

Across Australia, significant numbers of children and young people are affected by family violence. For example, in Victoria, police attended over 17,000 cases where a young person aged between 10 and 24 years was affected by family violence in the 12 months to March 2023.²⁶ High rents contribute to the challenge of finding safe and secure alternative housing for these young people, and increase the likelihood of homelessness.

Lower housing affordability limits access to mental health services

Rising rents also mean young people have less income available for other expenses, including mental health services. For young people living in regional, rural or remote communities, accessing a mental health service can be difficult and expensive. Lack of access risks missed diagnoses, worsening conditions, longer morbidity and increased levels of distress, with potential increased risk of self-medication with alcohol or other drugs, self-harm and/or suicide.

Housing and headspace workforce

Attracting and retaining an adequately resourced, engaged, skilled and motivated workforce is essential to delivering high-quality, safe and effective treatment, care and support for

²³ AHURI (2023). What are the real costs of Australia's housing affordability crisis for young people? [What are the real costs of the housing crisis for Australia's young people? | AHURI](#)

²⁴ Anglicare WA. (2022). *Rental Affordability Snapshot 2022*. <https://www.flipsnack.com/68958FDD75E/anglicare-wa-rental-affordability-snapshot-2022-v1c8ztxwb1.html>

²⁵ AHURI (2023). What are the real costs of Australia's housing affordability crisis for young people? [What are the real costs of the housing crisis for Australia's young people? | AHURI](#)

²⁶ Victoria Policy (2023). [Family Incidents | Crime Statistics Agency Victoria](#)

young people.²⁷ The mental health and wellbeing workforce is facing acute and enduring staff resourcing challenges. Despite decades of federal and state mental health workforce strategies and reviews, recruiting and retaining enough mental health workers remains an obstacle to providing consumers with appropriate access to services.

Increasing rental costs can make attracting and retaining staff more difficult for headspace centres, particularly in attracting younger, early career workers. This is particularly the case for headspace centres in regional, rural and remote areas, where limited rental housing stock, increasing demand and rising rents can make it difficult to attract and retain psychologists, general practitioners, social workers, and occupational therapists.

To boost service capacity and build the youth mental health workforce, headspace has established the Early Career Program. Allied health students and graduates are placed and supported in headspace services across Victoria, Tasmania, Western Australia and Queensland, including regional and rural placements. In the first year of the program, headspace employed 54 graduates and hosted 320 students.²⁸ Finding appropriate and affordable accommodation for graduates was shown to be a key barrier to recruiting staff in regional and rural areas. While headspace offers generous support for graduates who relocate or take up roles in remote areas, many graduates report being concerned they may not find housing.

In locations such as Hobart and Broome, strong competition for rental accommodation means graduates may need to live in temporary accommodation for extended periods of time, or stay in unstable and competitive share housing arrangements. While staff in areas often use informal networks to find suitable housing, students and graduates moving to a regional centre lack these connections.

Graduates told headspace:

Finding a rental was the hardest part [of relocation], it took me three months to find a place. I started looking as soon as I heard I was going to my new location.

Finding a place to live was so hard, regardless of the planning and support I was given. It took to [the final week before placement] to find a place. I eventually found a really safe and comfortable place but this was the most stressful part of the whole transition process.

The lack of availability of accommodation is driving up rental prices, making it unsustainable to relocate to some regions, even if housing can be secured. This is compounded by health worker and not-for-profit salaries being lower than for many for-profit workers. In Karratha, for example, weekly rental can be up to \$1000 for a regular home – broadly unaffordable for an allied health worker.

²⁷ Royal Commission into Victoria's Mental Health System (RCVMHS) (2021). *Final Report*, Vol.4, section 33.1

²⁸ Headspace, (2023), Early career program: one year in review, [ECP-Interim-Evaluation-snapshot-v3.pdf \(headspace.org.au\)](#)

Term of reference c) – actions that can be taken by governments to reduce rents or limit rent rises

With low rental availability and affordability, governments could consider a range of interventions to support young people to rent appropriate accommodation. Members of the headspace Youth National Reference Group (hYNRG) suggested government could:

- Incentivise renting to young people:

Perhaps providing incentives in the form of tax relief for property owners to accept first time renters could go a long way in allowing young people to access the rental market and continue to work towards their goals and ambitions.

- Raise awareness and enforce regulations about rental increases:

Government can stop putting the responsibility [of policing unlawful increases] on young people and instead regulate the system themselves – it shouldn't be a renters' job to stop real estate agents from breaking the law.

There are also opportunities for government to support allied health workers and other essential workers in regions with a high need for youth mental health services and limited rental availability. This could include:

- accommodation subsidies in these regions
- incentives for local real estate agents to prioritise essential workers for private rental accommodation.

Term of reference d) – improvements to renters' rights, including rent stabilisation, length of leases and no grounds evictions

Members of the hYNRG suggested government could consider interventions to better support renters' rights, including:

- Raise awareness and enforce regulations about rental increases
- Educate young people about renting and tenant rights and responsibilities:

More accessible information that is targeted at young people regarding renting responsibilities, budgeting and rights within a tenancy.

Term of reference h) – any other related matters

In addition to interventions that reduce rents, limit rent rises and improve renters' rights, government can also support young people to access affordable, stable housing via increasing income support payments and providing assistance to those who are not already accessing support.

Increase income support payments and simplify eligibility

In order to provide adequate support to those in need, income support payments, including JobSeeker and Youth Allowance, need to increase to above the poverty line. JobSeeker payments have not increased in real terms since 1994, and those receiving JobSeeker are overrepresented among people in the lowest five per cent of income brackets.²⁹ Youth Allowance, which provides support to young people who are unemployed or studying, is also below the poverty line and those receiving these payments are at heightened risk of living in poverty.³⁰ In addition, income support payments such as JobSeeker, are widely recognised as being a barrier to finding work, which further exacerbates the financial insecurity of recipients of these payments.³¹

The rules that determine how the income support system operates are also complex, often providing different payment amounts for young people who are in similar situations, with similar living costs and capacity to work. For example, a 19-year-old on Youth Allowance currently receives 85 per cent of the amount of income support paid to a 22-year-old on JobSeeker despite their circumstances and costs being almost identical. Many also find it difficult to navigate the welfare system; in particular, young people who are homeless, those living with mental health conditions and/or disabilities, as well as those juggling study and work in addition to caring responsibilities.³²

The income support system must be reviewed to ensure it is fit for purpose for today's young people and is adequately supporting them through challenging life transitions, including when relying on casual employment. One solution to this was proposed by the National Youth Commission Australia – a Youth Future Guarantee, which would reform the income support model to ensure it provides adequate support for young people, including payments based on need, not age, and incentive payments for participation in education or training and for job searching.

As outlined in response to Term of Reference (b), housing affordability is critically low and increasingly unattainable for those on income support payments. When considering other flow-on effects for low-income earners, such as impacts on being able to engage in work and study, impacts on family and children, and negative mental health impacts, it is critically important that young people in need are provided with adequate income support.

Provide support to young people not already accessing assistance

There is a need to identify and provide support for young people who are not accessing assistance through the social welfare system.

²⁹ ACOS. Causes and Solutions – Poverty and Inequality. Accessed 1 March 2023 from <https://povertyandinequality.acoss.org.au/causes-and-solutions/>.

³⁰ ACOS. *ibid.*

³¹ Bowman, D & Banks, M. (2018). *Hard times Australian households and financial insecurity*. Research and Policy Centre, Brotherhood of St. Laurence. [Hard times: Australian households and financial insecurity \(bsl.org.au\)](https://www.brotherhood.org.au/research-and-policy-centre/hard-times-australian-households-and-financial-insecurity/).

³² National Youth Commission of Australia. (2021). *ibid.*

In 2020-21, over 5,000 young people aged 17-24 who accessed the headspace centre network were not engaged in employment, education or training. Of those who shared income data, 39 per cent were not receiving any government support payments.³³ This provides an indication that current benefits and policies are perhaps not always fit for purpose or being accessed by those in need.

Many young people go undetected in unemployment statistics, such as those who are not actively looking for work, those who are homeless and those who may have severe mental health conditions. Without support, these young people will likely continue to be trapped in a cycle of unemployment, lack of access to housing and poor mental health.

Support young people to engage in work and study

In addition to housing, mental health and wellbeing is also correlated with participation in work and/or study.³⁴ These interdependences indicate the value in increasing holistic, multi-disciplinary, wrap-around support that responds to individuals' needs and circumstances across ages and stages of life – ensuring people can access the right support, when they need it and how they want it. The [Evaluation of the National headspace Program](#) found young people accessing headspace services often received assistance with matters relating to housing, income and employment, in addition support for their mental health.

Vocational support is one of the four core streams of the headspace model (along with mental health, physical health including sexual health, and alcohol and other drugs). This unique integration within the headspace service platform provides soft entry points to tailored, youth-specific clinical and vocational assistance for young Australians living with mental health challenges who are at very high risk of ongoing welfare dependency and social isolation.

Providing vocational support can ease financial pressures and have a positive impact on other areas of people's lives. As noted above, young people who are disengaged from employment and education are at increased risk of long-lasting negative outcomes including socio-economic exclusion, long-term welfare dependency, and poor mental health.^{35 36}

Participation in education or employment is recognised as a strong protective factor for young people's mental health.³⁷

Traditional vocational and educational funding streams are insufficient for the significant numbers of young people experiencing mental health challenges because they are limited in their reach (e.g., by having a disability focus) or not suited to the unique needs of this cohort.

³³ Source: headspace Tableau Server. (2020-21)

³⁴ Productivity Commission. (2020). *Mental Health: Productivity Commissions Inquiry Report Volume 2*. Report no. 95, Canberra.

³⁵ Powell, A., Salignac, F., Meltzer, A., Muir, K., & Weier, M. (2018). Background report on young people's economic engagement. Sydney, Centre for Social Impact, UNSW.

³⁶ Gore, F.M., Bloem, P.J., Patton, G.C., Ferguson, J., Joseph, V., Coffey, C., Sawyer, S.M., & Mathers, C.D. (2011). "Global burden of disease in young people aged 10–24 years: a systematic analysis." *The Lancet* **377** (9783): 2093-2102.

³⁷ Holloway, E., Rickwood, D., Rehm, I., Meyer, D., Griffiths, S., & Telford, N. (2017). "Non-participation in education, employment, and training among young people accessing youth mental health services: demographic and clinical correlates." *Advances in Mental Health* 16(1): 19-32.

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- AHURI (2023). What are the real costs of Australia’s housing affordability crisis for young people? [What are the real costs of the housing crisis for Australia’s young people? | AHURI](#).
- AIHW (2022). *Indigenous mental health, housing and homelessness*, [Indigenous mental health, housing and homelessness \(indigenoumhspsc.gov.au\)](https://indigenoumhspsc.gov.au).
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