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Media release

## Changes to dole will cause spike in youth homelessness

The homelessness sector is steeling itself for monumental fallout from changes to Newstart and Youth Allowance, says the peak body for homelessness. The changes will force young unemployed people to wait six months before they receive payments.

“We will see more young people lining up at homelessness agencies with no money for food or rent,” says Council to Homeless Persons, CEO, Jenny Smith.

“The paltry Youth Allowance of \$207 per week barely covers housing and sees many young people living on a diet of rice and bread, so what will they eat when they have no money?”

“How is a young person meant to survive on \$0 per week, when the average rent in Melbourne is \$360 per week?”

Young people make up 40 per cent of the homeless population, with 26,000 people aged 12-24 without a home in Australia every night.

“When 26,000 young people are homeless every night in Australia, it’s clear that current safety nets aren’t working. Rather than get out the tools to fix the system, this budget takes an axe to it, slashing payments and trimming where there is no fat to spare,” said Ms Smith.

“The point when a young person becomes unemployed is when income support is most critical; to help pay for transport to and from interviews and appointments, to tide over rent and bills and supplement job-seeking costs.”

“Once a young person is pushed into homelessness, they are at risk of spiraling deeper and deeper into disadvantage. Yet in the same breath as slashing welfare payments, the government has not allowed a single extra dollar in the budget for the homelessness sector.”

Housing affordability is at an all-time low, and CHP says that the decision to discontinue the National Rental Affordability Scheme is a further setback for those looking for somewhere affordable to live.

“This is a budget that deals the heaviest blows to our poorest people, apparently without foreseeing the inevitable social breakdown to come,” said Ms Smith.

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