



25 January 2024

Pre-Budget Submissions
Treasury
Langton Cres
Parkes ACT 2600

RE: Youth Peak Bodies Australia-wide call on the Government to Raise the Rate

Dear the Hon. Stephen Jones MP and Senator the Hon. Katy Gallagher,

We, the youth peak bodies across Australia, strongly urge the government to raise the rate of Job Seeker and Youth Allowance in the 2024-25 Federal Budget.

As identified by the Interim Economic Inclusion Advisory Committee's (the Committee) 2023-24 Report to Government, Australia's working age income support payments continue to be 'seriously inadequate' – whether measured in comparison to minimum wages, pensions, or income poverty measures.

While in September 2023 the Federal Government increased the rate of Youth Allowance and Job Seeker to \$43 and \$54 a day respectively, this is nowhere near sufficient to cover basic costs. People on Youth Allowance are living well below the poverty line, receiving just half of the \$87.32 per day required as measured under the Henderson poverty line.

Because of inadequate payments, many young people are unable to afford secure housing, food, energy, transport costs, internet access and a phone – made worse in the context of rising cost-of-living pressures and the housing crisis. Consequently, young people are rationing food, going without heating or cooling, and foregoing necessary medication – leaving them at increased risk of debt, social isolation, and homelessness. Further, the Committee identified that current rates are so low, they create a barrier to finding paid work.

In line with the Committee's findings, Australia's youth affairs peak bodies collectively call on the Government to commit to a substantial increase in the base rates of the Job Seeker Payment and Youth Allowance as a matter of priority. To afford the basics and rise above the poverty line, this must be at least \$88 per day. In addition, given the disproportionate impact of rental price increases on young people and the current cost of living crisis, we also advocate raising the rate of Commonwealth Rent Assistance.

This will support all young people across Australia to live with security, and gain access to meaningful long-term employment.

Yours sincerely,

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