

*Final Report*

# **Rent assistance and young people's decision-making**

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## GLOSSARY AND ABBREVIATIONS

Austudy payment	Income support payment for students aged 25 and over
Centrelink	Service delivery agency for a variety of federal government programs including income support, employment assistance, and student assistance and support services
FaCS	Department of Family and Community Services
RA	Rent Assistance: income support payment for those in the private rental market
NewStart	Income support payment for jobseekers aged 21 and over
YA	Youth Allowance: income support payment for jobseekers under 21 and students under 25

# INTRODUCTION: AIMS AND OBJECTIVES

## 1.1 Introduction

For young people, the transition to independent living is one of the most important – and probably exciting, difficult and emotionally charged – decisions they will ever make. For most, it means severing their links with parents, home and much that they have been familiar with all their lives. For a minority, it may represent a break from a fraught family situation of which domestic violence or abuse was part and parcel. Whatever the context, it requires a process of searching for, establishing and maintaining a new home and, in many cases, doing this in parallel with seeking employment or undertaking tertiary studies for the first time.

The growth in youth homelessness in recent decades is in part a reflection of the difficulties of some young people in making the transition to independent living, whether because of inadequate skills and associated lack of support, the constraints of the housing system, lack of income or combinations of all these. Yet the vast bulk of young people do not become homeless and make a successful transition to an independent housing situation, often, however, with considerable adjustment along the line.

This study is about young people's housing choices and the role of Rent Assistance (RA) in these choices. It has two broad objectives: to provide greater knowledge about the housing decision making and arrangements of young people, and to examine the role of RA – for those who are eligible – in improving their housing situation, as well as education and employment outcomes. The latter has two components: an assessment of RA in the context of the changed eligibility criteria brought about by the introduction of the Youth Allowance (YA) in 1998, and a broader assessment of RA's role in shaping recipients' perceptions of the accommodation and life choices open to them. It explores the influence of RA on:

- Young people's preferences and decisions about housing and living arrangements;
- Young people's decision making about education, and the role of housing in this decision;
- Students' choice of course and study institution and the effects, if any, of housing.

Since impact on decision making relies on an awareness of the payment – even if this awareness is grounded in misunderstanding – the study also sought to gauge customers' recognition of RA as a separate component of their YA payment. In effect, the research is a form of program evaluation examining the effectiveness of RA.

The report is based on a survey of young people in receipt of RA, undertaken for the Department of Family and Community Services (FaCS), supplemented by unit record data of the 1996 and 1991 census. It is structured into seven chapters:

- Chapter 1 provides an overview of the policy context and a brief literature review;
- Chapter 2 gives an overview of the methodology and the approach adopted to address the study objectives;
- Chapter 3 provides a snapshot of the housing situation of young people;
- Chapter 4 looks at respondents' awareness and perceptions of RA;
- Chapter 5 explores the ways in which access to RA influences young people's choices about housing and living arrangements;
- Chapter 6 aims to establish whether and to what extent access to RA enters into young people's decision making about whether or not to study;
- Chapter 7 summarises the policy implications.

## 1.2 Policy context

There is a range of policy issues raised by youth housing. At one level are the policy issues concerned with youth homelessness. Here the issues include:

- Recognition of the many causes of youth homelessness, ranging from the structural (e.g. poverty, constraints of the housing market, lack of employment opportunities, discrimination, marginalisation of those with health problems or a disability) to the personal pathology (e.g. addiction, lack of social skills). The problem here is what policies best address homelessness. Is it best to focus on the structural (e.g. creating access to more housing or greater education opportunities), and which of these does one emphasise, or on the individual through counselling and support in areas such as substance abuse, living skills and personal empowerment?
- Related to this is the degree to which policies and programs concentrate on prevention or cure. The debate then becomes one of considering how much homelessness is preventable and where should the focus be. For example, to what degree are family violence and breakdown avoidable by effective policy measures, or is policy best targeted elsewhere?
- If explicitly housing focused, what is the balance between the provision of long-term housing, transitional housing and crisis accommodation, and what are the links between the three? In each of these areas there are subsidiary policy issues. In terms of permanent housing there are issues of whether the emphasis should be on private rental (perhaps head leased), public or community: which has the greater flexibility to cater for young persons' changing needs? Should young people in social housing have permanency of tenure? Should there be programs linking provision of long-term housing more effectively with employment and educational opportunity?
- If the issue is housing and support, questions are raised as to what is the nature of support, who is to provide it, how can it be locked in (i.e. can protocols work) and at which level of housing (long-term, transitional and crisis) is support most needed or most effective.

None of these policy questions are black and white, so that one or another policy or program is never excluded, but on the other hand it is too simple to say it is a mix of all these. The challenge for governments is to decide on what mix. Of course the issues are ever dynamic, hence the regular reviews of the Supported Accommodation Assistance Program, and the episodic youth homelessness or general homelessness taskforces and strategies of state governments such as those of Victoria and Queensland at present.

But young people's housing issues and their policy implications are about more than homelessness. The timing of their decision to leave home (the household formation process) raises issues of new housing demand, while the choices that they make between tenures and types raise important issues for the form and location of future housing. To the degree that housing availability and affordability affects educational and employment opportunity, attention has to be given to the cost and provision of housing if positive outcomes are to be realised.

The concept of 'housing careers' has been used to describe the process of housing moves that a family or household will make over a lifetime. For young people, more than any other household type, the housing decision is closely linked to employment and education, so we need to know whether the housing market is working in a way that facilitates these outcomes, and what policies are necessary to assist young people in independent living. In Australia the major program to assist young people in independent living is the Commonwealth's YA (and RA), although state and territory housing agencies also assist certain eligible individuals or households with start-up costs in the form of bond assistance.

Young people in independent living who are in receipt of YA are potentially eligible for RA. FaCS introduced YA on 1 July 1998 as a means tested payment replacing a range of existing allowances for young people. As part of an alignment of entitlements between students and jobseekers, RA became widely available to full-time students under the age of 25 who were renting privately.

YA brought into being common payment arrangements to address the income support needs of young people in full-time study or training, those who are unemployed and looking for work, and those attempting to combine various study and work activities. In essence, several existing payment types were brought together into a single YA replacing AUSTUDY for full-time students aged under 25 years, Sickness Allowance for those under 21, and Youth Training Allowance and NewStart Allowance for unemployed young people under 18 and 21 respectively. Austudy remains (now called Austudy payment) for full-time students over the age of 25, but RA is not available to Austudy recipients.

The key objectives of the new program were:

- To increase the simplicity and transparency of the income support system;
- To discourage dependence on income support and encourage families who could afford to support their children to do so;
- To remove disincentives to participate in education and encourage young people to undertake activities that would improve their labour market prospects.

A decision not to pursue education at least to the end of secondary school is likely to place serious limitations on a young person's life chances, including the opportunity to become involved in a preferred occupation and to secure long-term employment. And yet differences in income support entitlements 'had unintentionally resulted in clear incentives for young people to choose unemployment over study' (FaCS 1999b, p. 22). Particularly in the context of declining Year 12 retention rates (following a peak during the recession of the early 1990s), the operation of these disincentives came under closer scrutiny. Many of the specific changes introduced by YA were attempts to make education a more attractive option to young people who were dependent on income support and, conversely, to make unemployment less attractive. These included:

- **Activity test:** Although there are some exemptions, young people under the age of 18 who have not completed Year 12 or equivalent must generally remain in full-time education or training to qualify for YA (effective from 1 January 1999) (FaCS 1999b, p. 22).
- **Application of the parental means test:** Prior to YA, AUSTUDY was parentally means tested to the age of 25 and included an Actual Means Test. While access to unemployment benefit was parentally means tested for young people under 18 (under the Youth Training Allowance), those over this age could qualify on the basis of an individual income and assets test. With the introduction of YA, young people were subject to a parental means test regardless of their activity if they were not defined as 'independent'.
- **Qualifying age and benefits associated with independent status:** The age of independence (that is, the age when entitlement is no longer subject to a parental means test) was increased from 18 to 21 for those who are not full-time students (it remained at 25 for full-time students). Other criteria for attaining independent status became more lenient for students and more stringent for jobseekers (FaCS 1999b, p. 29).<sup>1</sup>

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<sup>1</sup> Independent status can be established in several ways, including through prior workforce participation, where it is deemed unreasonable for the young person to live at home (for example, because of extreme family breakdown), and where the young person has a dependent child, is married or is involved in a long-term relationship.



- **Eligibility criteria for the 'away from home' rate:** Independent status no longer carried with it automatic access to the higher level of payment. This was instead to be decided on the living arrangements of the young person, whether they were living 'at home' with parents or 'away from home'. Even if classified as 'dependent', young people living away from home for approved reasons, including study or jobsearch purposes, became eligible for the higher rate of YA. For those under 18, the maximum 'away from home' rate was increased by \$25.40 per fortnight (FaCS 1999b, p. 41).
- **Eligibility for RA:** Prior to YA, AUSTUDY recipients were able to qualify for RA only if they could demonstrate 'homeless' status or if they were orphans or refugees. Young people on unemployment benefits living away from parents had relatively broad access to RA. Under YA, these same conditions were extended to full-time students under 25. Older students under the Austudy system remained ineligible for the payment.

RA provides a non-taxable payment to low income earners who rent privately. It is subject to both individual and parental means tests and is paid as a supplement to other income support payments. The definition of private rental includes boarding schools and halls of residence type accommodation. Young people living at home with their parents (even if they are paying rent) are not eligible for RA. Young people do not have to be classified as 'independent' in order to qualify but, if they are not, they must be living away from the parental home for approved reasons. The maximum benefit payable for a single person without children as of June 2001 is \$88 a fortnight, depending on the amount of rent paid. RA in Australia is not explicitly a housing program, unlike equivalent programs in many other countries. It is payable to private renters (not the landlord) whose income and rents meet the eligibility conditions, and the expenditure is not tied to housing outcomes; a recipient could use it to reduce rent, but it is as much an income supplement that could be used for other expenditures.

The eligibility conditions for both YA and RA are quite tight. In May 1999 around 387,903 young people received YA (DFaCS 1999c), out of roughly 850,000 15-24 olds in independent living. Of those receiving YA, only 92,219 received RA (DFaCS 1999c).

### 1.3 Literature Review

Literature on young people and housing is not readily available, other than on the issue of homelessness where there has been a proliferation of literature over the last two decades. While at the other end of the aged spectrum, the elderly, there is a voluminous housing literature, youth remains under-researched and little written about, perhaps because they are seen as a group with few housing problems (the homeless excepted).

Reports that on the face of it seem to be generally about young people's housing, such as two reports released by the Queensland Department of Housing, Local Government and Planning (Shaw 1994; Shaw and Kennedy 1994) and the National Youth Coalition for Housing's (1997) *National Youth Housing Policy*, concentrate heavily on homelessness and the role of public housing. The *Youth Housing Strategy* does include consideration of the private rental market, particularly affordability, and includes a small section on student housing. This interestingly states that 'Responsibility for student accommodation is the primary responsibility of Commonwealth and State Education and Training Departments' but does call for the investigation of 'financially viable mechanisms for providing student housing'.

Policy-oriented research on young people tends to focus on education and labour market activity and the transition to employment. Even in the recent changes to YA and Austudy, although it was recognised that increased access to RA by students under 25 would be the major financial impact to the budget, there was little consideration of the effect of this on students' housing or non-housing outcomes.

As set out in the Interim Report of the Youth Allowance Evaluation on the impact of the changes:

Youth Allowance was introduced in response to a number of concerns in the community, most notably: the changing labour market, the need for flexibility, the need for simplicity and the need to remove disincentives to study (FaCS 1999a).

The report goes on to say:

In summary, YA:

- removed disincentives to study which existed in income support arrangements;
- simplified income support arrangements for young people and provided greater flexibility through recognising the wider range of activities undertaken in the transition from full-time study to full-time work; and
- reinforces the Government's philosophy that, where they have the means to do so, families should support young people until financial independence is achieved.

Looking at Britain, where there has been greater interest, at least in the provision of student housing (given their much greater proportion of tertiary students who leave home to study), it is still the case that there is a policy and research vacuum. As pointed out in a recent report conducted for the Rowntree Foundation:

By 1997, the year of the Dearing Report (National Committee of Inquiry into Higher Education), the student population had reached 1.6 million following four decades of expansion in the higher education sector. Over that time, however, the housing needs of students have never been the subject of any form of national policy or strategy (Rugg, Rhodes and Anwen 2000).

This expansion in student numbers had according to the report lead to an increase in the number of students renting in the private market (as education institutions had not had a commensurate increase in their provision of accommodation). The report also notes an increasing trend for students to study in their home area.

*Young People, Housing and Social Policy* (Rugg 1999) is an edited collection on particular themes (e.g. young people leaving care, young people in the parental home) which does include a number of more general chapters around students' experience in the private rental market and housing benefit for young people.

An article published in 1994 perhaps points to a reason for this lack of attention.

It is difficult to separate young people's position in the housing market from the series of transitions they are undergoing in relation to education, training, employment and family structures (Pickvance and Pickvance 1994).

This is a report on their use of data collected from a sample of 724 young people in south-east England to test the researchers' model of young people's housing behaviour. They found that, in line with their model, households actively respond to housing constraints through strategies such as sharing their dwelling, delaying having children, working longer hours and minimising expenditure.

Australia's state-based tertiary education system and population concentration in the state capitals means that the vast majority of young people study in the city of their family home. Therefore one important strategy (taking Pickvance and Pickvance's model) for dealing with housing issues is for students to delay the move to independent living.

Another relevant study conducted for the Rowntree Foundation is a report (Kemp and Rugg 1998) examining the impact on single young people of changes to housing benefit which restricted claims for people under 25 to the average rent for single rooms in their locality. This found that the change in policy did not reflect single young people's real housing situation (more likely to be renting in shared accommodation with friends than renting a room in a large

house or hostel), and that they were unsure about the system and particularly the maximum benefit available to them.

We finish the literature review with one of the few research reports that have looked at student housing needs (Hancock 1982). Using interviews with student housing officers, it identified factors specific to students and those issues students had in common with other young people. Conditions specific to students were:

- Episodic demand;
- Locational preferences;
- Demands of study and its impact on the type of accommodation that is suitable;
- Financial costs of study.

The study also noted an increasing trend for students to remain in the family home due to increased rental costs, and students placing a greater emphasis on achieving high marks. It indicated that there was a 'pecking order' of youth in terms of access to desired accommodation, in which students are preferred by landlords to other low income young people (e.g. unemployed). This view of students as 'middle-class' competitors to other young people in housing need may be another explanation of the lack of interest of housing researchers in student housing.

## 2. METHODS

The greater part of this report is based on the results of a national sample survey of YA and Austudy payment customers. Stratified random samples were drawn from each of six target customer sub-populations. The survey of 6,000 FaCS clients was conducted in August and September 1999 by mailed questionnaires with supplementary use of telephone interviews. A total of 2,524 people (a 42 per cent response rate) responded to the survey, of which 69 per cent were RA recipients (customer groups A to D), 17 per cent were in receipt of YA but ineligible for RA (group E), and the remainder (14 per cent) were Austudy payment recipients (group F).

### 2.1 Customer sub-populations

The sub-populations were defined in relation to customers' status as jobseekers or students and whether they were in receipt of RA currently and/or at the time the changes to the eligibility criteria were introduced (1 July 1998) to highlight the role of RA in decision making. A fifth customer group comprising jobseekers and students receiving YA but not eligible for RA (Group E) was included to ensure full coverage of YA recipients and because it was recognised that input from this group of young people, particularly those living with parents, would provide an important point of comparison. The five groups are as follows:

Customer sub-population	Relevance to study objectives
<p><b>Group A</b></p> <p>Unemployed YA recipients who receive RA due to approved jobsearch reasons and who were unemployed and in receipt of RA prior to 1 July 1998.</p>	<p>Previously this group would have had to give up RA to study, but this is no longer the case. Key issues include:</p> <ul style="list-style-type: none"> <li>• Are they aware of the changes to eligibility criteria?</li> <li>• Have they considered further education?</li> <li>• If not, why not?</li> <li>• If yes, what factors have prevented them?</li> </ul>
<p><b>Group B</b></p> <p>Current students or currently unemployed Centrelink customers receiving RA who as receiving students became eligible for RA on 1 July 1998.</p>	<p>These are students who were already living independently before the change and therefore experienced a windfall when they qualified for RA following the revision to eligibility criteria. Key issues include:</p> <ul style="list-style-type: none"> <li>• Do they feel RA has made a noticeable difference to their ability to improve their living arrangements?</li> <li>• Has their attitude to study changed since their eligibility for RA?</li> <li>• How have their living situations (housing, work and study) changed since the advent of RA?</li> </ul>
<p><b>Group C</b></p> <p>Current students who were jobseekers in receipt of RA prior to 1 July 1998 and now qualify for RA under YA.</p>	<p>In some ways, members of this group are the key beneficiaries of the change as they previously would have had to give up RA to make the transition to study. Key issues include:</p> <ul style="list-style-type: none"> <li>• What were the key factors in their decision to undertake study?</li> <li>• To what extent did awareness of eligibility for RA play a part in the decision?</li> <li>• Would resuming study have been possible/more difficult if it had meant foregoing RA?</li> </ul>

<p><b>Group D</b></p> <p>Current students and jobseekers in receipt of RA who were not eligible for RA prior to 1 July 1998.</p>	<p>The students in this group are of particular interest because their decision to live independently has been made since the change in policy. Previously they would not have been able to claim RA. More specifically, those who made the transition to study and independent living at the same time may not have been able to undertake study without the change to eligibility. Key issues include:</p> <ul style="list-style-type: none"> <li>• What role did RA play in the decision to move to independent living?</li> <li>• What role did the move to independent living have in the decision to resume study?</li> </ul>
<p><b>Group E</b></p> <p>Young jobseekers and students on YA who are not eligible for RA, in many cases because they are living at home.</p>	<p>This group, by far the largest of the sub-populations, is in many ways a control group. The main interest for the study is to compare their housing satisfaction with those living away from parents and to investigate preferred living arrangements:</p> <ul style="list-style-type: none"> <li>• What are the main impediments to obtaining work (jobseekers)?</li> <li>• What were the key considerations in their decision to study, in terms of choice of course and institution? (Was this limited by where the parental home was located?)</li> </ul>
<p><b>Group F:</b></p> <p>Current students who remain on Austudy payment because they are over 25 years old and who have no access to RA.</p>	<p>This group was part of the original survey but is not directly relevant to this study.</p>

## 2.2 Sample design

The sampling frame was generated from Centrelink's customer database. The customer population targeted by the study excluded those with dependent children and those who were classified as part of a couple, leaving a total of just in excess of 400,000 people. The relevant population was first divided into the six customer sub-populations. The numbers within each sub-population at the time the sample was drawn (14 May 1999) are presented in Table 1.

**Table 1 Total numbers within each customer sub-population**

<b>Customer sub-population</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>Total</b>
No. in sub-population	5,590	22,322	2,917	50,740	296,835	33,712	412,116
Percentage of combined population	1.4%	5.4%	0.7%	12.3%	72.0%	8.2%	100.0%

Because the size of the four customer groups comprising the RA customer population varies (group C represents less than 1 per cent of this population, whereas group D accounts for 12.3 per cent), it is not possible to generalise directly from the aggregate of samples to the customer population without adjustment of the representation from each of the four groups. This is done by weighting the responses of the different groups in proportion to their presence in the RA population. This process is explained below.

**Table 2 Sample size and sampling ratios**

	<b>Estimated population</b>	<b>Total useable returns</b>	<b>Sampling ratio (%)</b>
Group A	5,590	199 <sup>1</sup>	3.56
Group B	22,322	406	1.82
Group C	2,917	774	26.53
Group D	50,740	363	0.72
Group E	296,835	419	0.14
Group F	33,712	363	1.08

1 Due to the low response rate for this group from the mail-out questionnaire this figure includes 20 randomly selected telephone respondents.

## **2.3 Weighted aggregate of customer groups A to D**

An aggregate data set, representative of the RA recipient population, was developed by weighting the four RA customer groups to reflect the relevant proportion of each in the wider customer population. Given the different sizes of the four sub-populations, weighting the survey data has important consequences for the composition of the aggregate sample. For example, customer group D accounts for the majority (62.2 per cent) of the total RA recipient population but only 20.8 per cent of respondents. The weighting process compensates for this by multiplying the responses of group D by a factor of about three. Similar adjustments were made for the other groups. All tables and figures identify when the weighted data set has been used, and the totals reported in these tables refer to weighted responses, not actual respondents. Throughout the report when comparing responses of RA recipients to non-recipients, the weighted aggregate of A to D is used.

## **2.4 Data analysis**

Exploration of the differences in response between the six customer groups and between the aggregate RA group and group E are central to assessing the impact of RA eligibility, and consequently form the core of the data analysis strategy adopted here. The basis for division into customer groups was outlined earlier. Interpretation of differences between these groups will need to take into account the cluster of variables by which the customer group was constructed.

### 3. PROFILING YOUNG PEOPLE AND HOUSING

#### 3.1 Introduction

This section uses confidentialised unit record files (CURFs) from the 1991 and 1996 Population and Housing Census and other ABS data to provide a profile of young people and their housing situation.

#### 3.2 Independent living

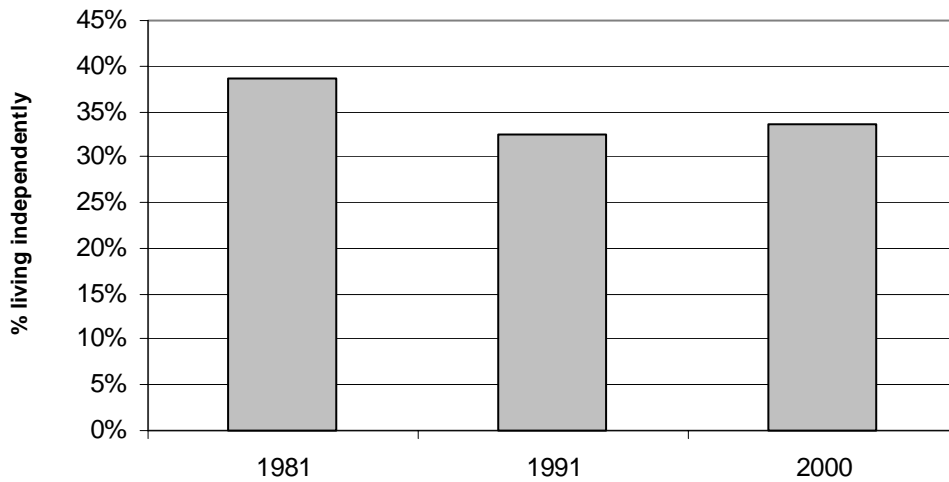
In 2000 just on a third of all young people 15-24 were in independent living. There is a popular perception that young people are staying at home longer. This is certainly the case if we take a long-term view. Table 3 and Figure 1 show the proportion of young people in independent living in 1981, 1991 and 2000. It reveals that in 1981 some 38.5 per cent of the age group 15-24 were in independent living. This fell away in the 1980s until in 1991 it was only 32.4 per cent. Subsequently it has marginally improved to 33.5 per cent. The decline in the 1980s reflected the substantial growth in tertiary education with many students staying at home while they studied, and the decrease in the number of young people partnering removing one of the pressures for the young to leave the parents (Kilmartin 1987). The rate of change in both these processes was stabilised in the 1990s but this doesn't explain an actual turn-around. Perhaps a strong economy and subsequent improved employment opportunities for many young people is a contributing factor.

**Table 3 Young persons living independently and living at home by age group, 1981, 1991 and 2000 ('000s)**

	1981			1991			2000		
	15-19	20-24	15-24	15-19	20-24	15-24	15-19	20-24	15-24
Age									
Living at Home	1072	482	1554	1111	611	1722	1098	580	1678
%	85%	38.3%	61.5%	88.8%	47.1%	67.6%	88.0%	45.5%	66.5%
Independent Living	196	778	974	140	685	825	150	696	846
%	15.5%	61.7%	38.5%	11.2%	52.9%	32.4%	12.0%	54.5%	33.5%
Total	1268	1260	2528	1251	1296	2547	1248	1276	2524

Source: ABS, Labour Force Statistics and Other Characteristics of Families, Cat. no. 6224.0

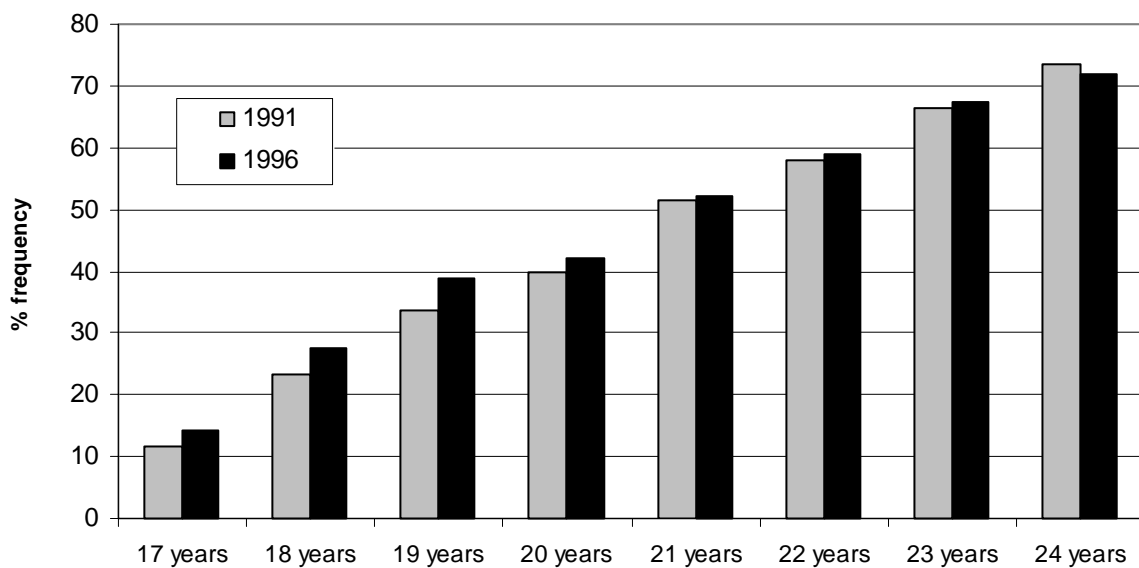
**Figure 1 Proportion of 15 to 24 year olds living independently, Australia, 1981,1991 and 2000**



Source: ABS, Labour Force Statistics and Other Characteristics of Families, Cat. no. 6224.0

The above data does not provide any information about the timing of leaving home. This is shown by Figure 2 which reveals for 1996 a fairly steady rate of increase for each year of age to the degree that, by 24 years, 72 per cent had left home (1996 ABS CURF). At the other end of the age spectrum, i.e. 17 years, only 14 per cent had left home. But, as Figure 2 also shows, there is a change in the pattern of leaving home which perhaps explains some parents' perceptions of young people leaving home later. A significantly higher proportion of persons aged 17 to 20 years are living independently in 1996 but a slightly lower proportion of 24 year olds are living independently.

**Figure 2 Proportion of young persons living independently by year of age, 1991 and 1996**

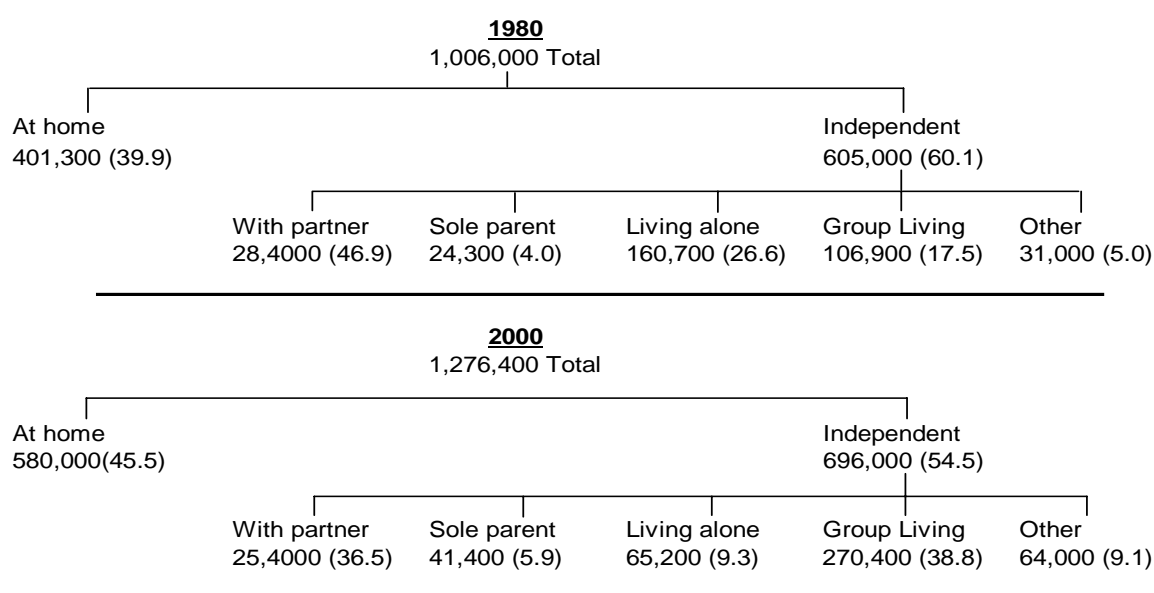


Source: ABS, Labour Force Statistics and Other Characteristics of Families, Cat. no. 6224.0



There have been major changes in the nature of household formation of young people. Figure 3 shows the change in household formation for 20 to 24 years olds from 1980 to 2000; there is an overall contraction in independent living over this time period but, within independent living, some significant shifts. The number of young people living with partners has fallen (from 46.9 to 36.5 per cent) but the biggest change is the switch from living alone to group or shared arrangements. In 1980 26 per cent lived alone and 17.5 per cent were in shared arrangements. By 2000 38.8 per cent were in shared arrangements and only 9.3 per cent were living alone. In the absence of further research it is difficult to explain the latter shift, although the emphasis on high rents and affordability problems in the survey suggests that much of it could be a response to increases in housing costs, particularly in inner urban areas.

**Figure 3 Household arrangements 20-24 year olds, 1980 and 2000**



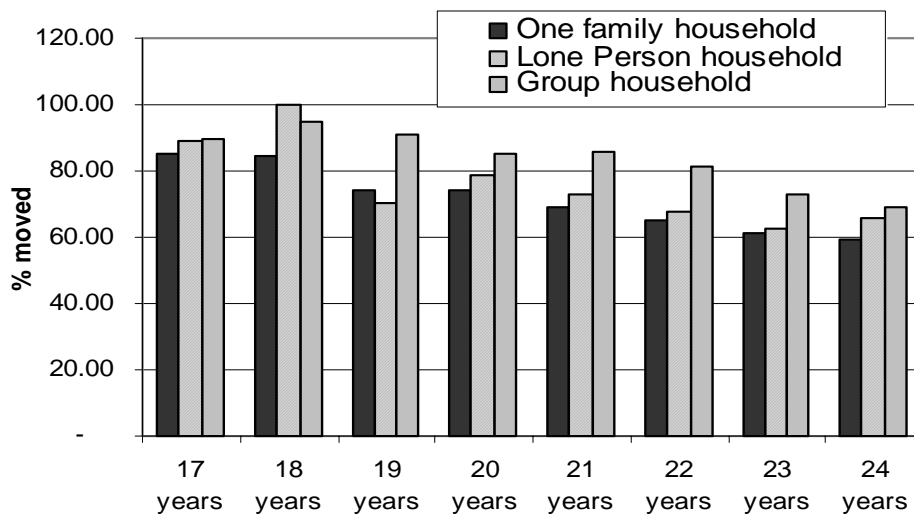
Source: ABS, Labour Force Statistics and Other Characteristics of Families, Cat. no. 6224.0

Young people have historically been drawn to inner urban areas, partly as a lifestyle decision – the location of tertiary institutions – and partly because a disproportionate share of rental stock was in these areas. However, these areas have been subject to intense gentrification over recent decades to the degree that there has been both loss of low cost stock and substantial rent increases. This is illustrated by inner Melbourne where a two bedroom flat in 1981 was \$154, but in 1999 was \$250 (in constant 1999 dollars) (Department of Human Services 1999; Burke et al. 1985, p. 50). Over the period 1986 to 1996 in inner Melbourne there was also a net fall in low cost private rental stock by 42 per cent (Burke and Hayward 2000, p. 50). Such pressures are likely to be replicated in other cities and may have encouraged greater shared living.

### 3.3 Mobility

Figure 4 gives an indication of the level of mobility of young persons living independently in private rental. This shows an extremely mobile population, with over 60 per cent of each age group having moved in the last year. Of course, for many this will be the move into independence. There is a clear pattern of decreasing mobility as age increases, and higher mobility across ages for those living in shared households.

**Figure 4 Proportion of young persons living independently in private rental who had moved house in the previous year by household type, 1996**

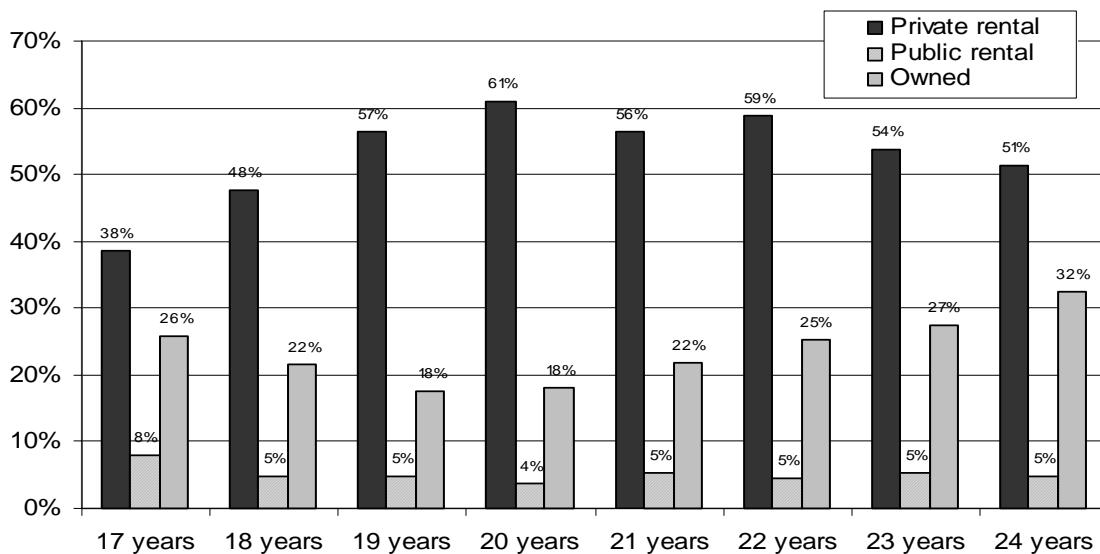


Source: ABS 1996 CURF

### 3.4 Tenure

Tenure for young people living independently by year of age (Figure 5) exhibits an interesting pattern. The proportion in private rental grows as age increases from 17 to peak for 20 year olds (61 per cent) and then decreases with age (apart from an increase between 21 year olds and 22 year olds) to account for 51 per cent of 24 year olds. The proportion of young people living independently in owner occupation starts at the relatively high level of 26 per cent and then decreases steadily until those aged 20 years (18 per cent) and then rises again, reaching 32 per cent for those aged 24.

**Figure 5 Housing tenure for young persons living independently by year of age, 1996**

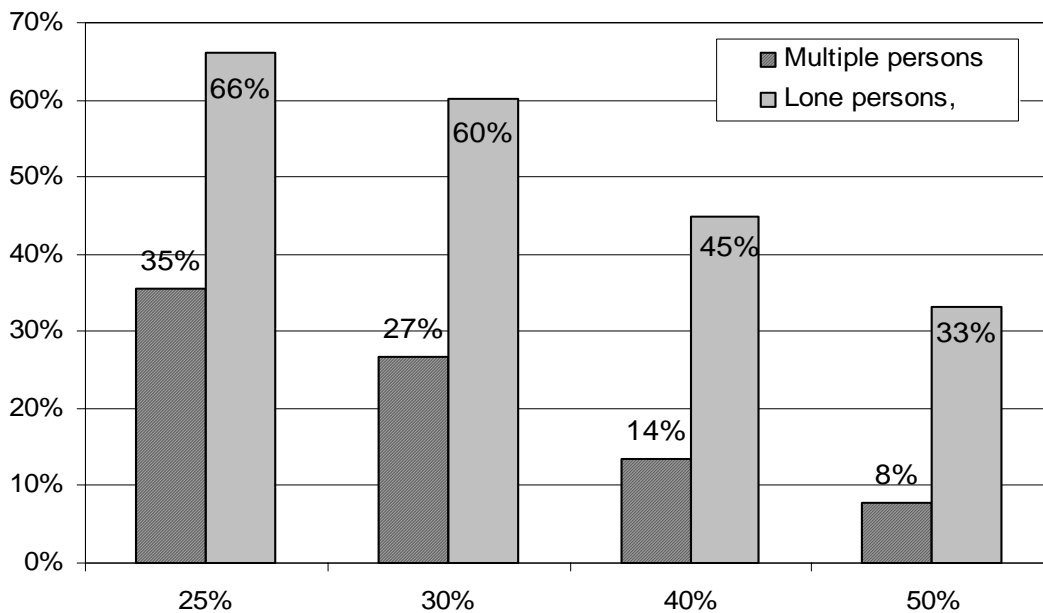


Source: ABS 1996 CURF

### 3.5 Affordability

By virtue of stage in lifecycle and in employment and education patterns, young people tend to have low incomes. For many of those in independent living, this creates housing affordability problems. Figure 6 shows the proportion of young people whose rents exceed certain affordability benchmarks; it highlights both the general problem of affordability and also the difference that some form of shared living (whether with partner or in a group arrangement) has on affordability. Of young renters living alone, 66 per cent pay more than 25 per cent and 45 per cent pay more than 40 per cent, of income on rents. A third of young renters living alone pay more than half their income in rent. Given these affordability figures, the importance of RA is evident, even though only a proportion of young independents are eligible.

Figure 6 Rental affordability for young persons living independently by household type, 1996



Source: ABS 1996 CURF

## 4. AWARENESS AND PERCEPTIONS OF RA

The main aims of the survey were to assess the impact of RA on young people's decision making in the context of changed eligibility criteria brought about by the introduction of YA and, more generally, an assessment of its role in shaping recipients' perceptions of the accommodation and life choices open to them. This in turn requires investigation of young people's awareness and perceptions of the payment.

Overall, there was a high level of awareness among respondents regarding their status as recipients, even though some were receiving as little as a dollar a week in RA. Only 3.3 per cent across the four customer groups were unsure whether or not they received the benefit. Because of the time lag between sampling and questionnaire completion, the 5 per cent of respondents who reported that they did not receive RA may indeed be correct.

### 4.1 Strength of opinion

Awareness of RA as a category of payment to which one is personally entitled does not necessarily mean it is sufficiently distinct to operate as a discrete factor in decision making or in perceptions of available options. Table 4 casts some light on this issue. When asked to indicate their agreement or disagreement with a series of suggestions about 'how RA from Centrelink helps you', recipients tended to have definite opinions about the impact of the benefit. Only six respondents (0.4 per cent) said 'neither agree nor disagree' to all 11 of the listed items, and over a quarter (27.5 per cent) did not use this category at all. Similarly, only one person felt all the items to be irrelevant to their circumstances.<sup>2</sup> In other words, there was not an obvious group within the sample for whom RA had negligible meaning in its own right.

The majority of expressed opinion was positive.<sup>3</sup> This is not surprising. As an income supplement, RA could hardly be seen to diminish choice, even though there may be reservations about how much it enhances choice. Secondly, as participants in a national survey commissioned by FaCS, respondents would likely feel a responsibility to make sure the government knew that *any* additional income was welcome, in case it should at some future date be considered appropriate to take it away.

Well over 300 respondents took the trouble to write in additional comments specifically relating to the impact of RA. These tended to fall into two broad categories. The first set was from respondents who felt sufficiently strongly about the value of RA to detail its positive influence on their lives. Some reported that RA meant the difference between coping and not coping – particularly for students: 'Without it I couldn't survive. The payments I receive supply the bare minimum I need to live', 'Without it I would not be studying'. It was common for young people to say that access to RA eased the emotional stress associated with paying all the bills: 'Takes the worry off my shoulders, relieved I can afford my board', 'Less strain emotionally, knowing I'm receiving help', 'Helps me cut down on how much I stress out about money', 'Relieves the stress – which makes me happy'. Some respondents listed items that they were able to afford with the extra money: 'On Austudy payment alone I could not afford to eat. RA allows me to buy basic meals and a few extras such as shampoo, toothpaste, soap etc. I can even save up to buy clothes!' and others expressed the benefits in terms of

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<sup>2</sup> It is likely that many respondents used categories like 'not relevant' (not applicable) and 'neither agree nor disagree' (no opinion) interchangeably. In some instances, respondents gave a substantive response where a 'not relevant' might have been expected. This is typically because respondents are answering for people 'in general' rather than for themselves specifically – despite the phrasing of the question. For example, some jobseekers agreed with the statement that RA helped them continue study or move closer to the study institution (this may also reflect the fact that some young people undergoing training as part of an activity agreement classify this as 'study' and answer accordingly).

<sup>3</sup> These percentages increase when respondents who felt the specific item was not relevant to them are excluded from the analysis (as they have been elsewhere in this report).

the independence and choice in living arrangements that access to RA allowed: 'Boost in self-confidence through independence', 'I can afford to choose who I want to live with', 'RA helps people maintain their independence'.

The second group of comments (84 respondents in total) emphasised that, despite the addition of RA, the money they received was not adequate to provide the essentials necessary for independent living. General comments such as 'not enough' and 'makes little difference' were common. Many were critical of the level of social security payment as a whole: 'I live below the poverty line so I have nothing positive to say about what Centrelink provides', 'I live in Sydney, the highest real estate prices in Australia. RA is only a drop in the bucket. I have to put up with living in dirty, unsafe houses because they are all I can afford'. Several respondents drew attention to the fact that they were only receiving a few dollars in RA: as suggested by one young person, 'less than \$7 a week doesn't help with rental costs'.

## 4.2 Perceived purposes of RA

Overall, these comments suggest a high level of recognition of RA as a distinct payment and a mixed response regarding the strength of its impact. The detail of this will be examined in greater depth in the remainder of the report. But the results presented in Table 4 also provide general insight into the context of young people's decision making by indicating the primary purposes RA is perceived to have. Items listed in the questionnaire (and presented in the table in order of strong agreement by student recipients) refer to the following sorts of help that could flow from RA:

- Helping generally to meet basic living expenses;
- Increasing the *affordability* of rent;
- Improving the *quality* of housing;
- Enhancing choice in the *location* of housing;
- Enhancing choice in *living arrangements*;
- Facilitating study or jobsearch activities.

The conclusion here is that recipients perceive and use RA in two ways and is perhaps reflective of the ambivalent status of RA. Young recipients are split in how they view the importance of RA, with the importance given to making rent affordable (78.9 per cent) little greater than affording other essentials of life (71.2 per cent) or continuing with their studies (75.1 per cent in the case of students).

The role of RA in enabling study, including help in finding and affording accommodation near the study institution, was widely appreciated by students. Jobseekers tended to be less enthusiastic about the helpfulness of RA across the board; however, almost half (49.8 per cent) agreed it was helpful in financing jobsearch activities. The capacity of RA to facilitate independence from parents was also commonly recognised by students (61.7 per cent) and jobseekers (49.8 per cent).

**Table 4 How does RA help you? by student/jobseeker RA recipients (weighted A-D)**

	Students (tertiary and secondary)							Jobseeker (includes activity agreement)						
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Not relevant to me	TOTAL	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Not relevant to me	TOTAL
Makes my rent more affordable ♦	39.3	39.6	8.8	8.5	3.0	0.8	100.0 (1,303)	32.5	36.0	15.3	13.3	2.5	0.5	100.1 (203)
Afford other essential costs of living ♦	37.0	34.2	10.5	9.9	6.3	2.0	99.9 (1,312)	29.6	32.0	14.3	16.7	6.9	0.5	100.0 (203)
Continue with my studies †	36.1	39.0	14.0	7.3	2.7	0.8	99.9 (1,317)	1.5	7.7	13.8	8.7	4.1	64.1	99.9 (195)
Live near my study institution †	25.2	30.9	24.6	8.5	4.5	6.4	100.1 (1,312)	1.6	8.9	13.0	4.7	1.6	70.3	100.1 (192)
Live independently from my parents ♦	25.1	36.6	14.5	9.9	5.3	8.5	99.9 (1,313)	19.6	30.2	17.6	11.6	6.5	14.6	100.1 (199)
Reduce part-time Work hours †	20.8	21.0	13.6	13.5	9.0	22.1	100.0 (1,330)	3.2	2.6	14.7	10.0	3.7	65.8	100.0 (190)
Improve my standard of living ♦	19.9	33.2	25.2	12.9	4.4	4.5	100.1 (1,315)	20.6	27.9	31.4	12.3	7.4	0.5	100.1 (204)
Improve my housing situation	19.5	29.1	28.7	12.0	5.1	5.6	100.0 (1,314)	18.5	29.5	30.0	12.0	6.5	3.5	100.0 (200)
Reduce family or household conflict †	10.8	13.5	29.2	8.3	2.9	35.3	100.0 (1,301)	15.9	30.6	15.9	6.4	5.1	26.1	100.0 (157)
Change my place of study †	4.3	8.7	23.3	9.7	4.1	49.9	100.0 (1,315)	0.5	4.1	12.4	7.8	2.1	73.1	100.0 (193)
Search for a job †	3.0	11.2	33.1	14.0	6.9	31.8	100.0 (1,316)	20.2	29.6	24.1	17.7	3.4	4.9	99.9 (203)

Calculation of percentages excludes those who selected 'not relevant to my situation' in response to each item and those who were either unsure whether or not they were in receipt of RA or said that they were not.

† Differences between students and jobseekers statistically significant at the .001 level.

♦ Differences between students and jobseekers statistically significant at the .05 level.

## 5. ACCOMMODATION AND LIVING ARRANGEMENTS

This section explores the extent and ways in which access to RA enhances young people's accommodation options and examines their decision making in relation to household type and quality.

**Section 5.1** looks at the current housing situation of respondents, including who they live with, the type of dwelling they live in and their rental arrangements.

**Section 5.2** investigates respondents' satisfaction with their current housing in the context of their preferences and priorities. It explores the housing-related concerns of RA recipients and non-recipients.

**Section 5.3** looks at respondents' experience of moving house, including how extensive it is, what sorts of circumstances led to the move, and what difficulties were experienced in searching for suitable places. It focuses on moving activity subsequent to the expansion of RA eligibility, with a particular interest in the housing choices made by those who gained access to the payment for the first time.

**Section 5.4** finishes with respondents' own assessment of the impact of RA on their housing situation. The data is analysed by type of RA (group A to D) or non-RA recipient (Group E), i.e. whether students or jobseekers.

### 5.1 Background: current arrangements

#### 5.1.1 Household types

As the CURF data shows, young people living independently tend to live disproportionately in group households. RA recipients are no different, with by far the most common household situation being sharing with friends (56.7 per cent). This was particularly prominent among students (58.7 per cent), but also accounted for the greatest number of jobseekers (45.2 per cent). It was not unusual for young people to live alone, though less common for students (14.1 per cent, compared with 27.2 per cent of jobseekers). The large majority in group E were living with parents (81.8 per cent of students and 59.5 per cent of jobseekers), which simply reflects the attributes of this group.

#### 5.1.2 Dwelling type

Table 5 illustrates the diversity of dwelling types inhabited, particularly by RA recipients. It was as common for them to live in a flat, unit or apartment as in a detached house, although this latter dwelling type was more prevalent among jobseekers (40.5 per cent, compared with 32.5 per cent of students). Consistent with the tendency for young people in group E to be living with their parents, the majority of students in this group were living in a detached house (64.5 per cent).

**Table 5 Current dwelling type *by* student/jobseeker (weighted A-D and E)**

	Weighted A-D (%)			Group E (%)		
	Student	Job-seeker	Total	Student	Job-seeker	Total
Boarding school/residential college	14.0	0.0	11.9	2.0	0.0	1.7
Flat, unit, apartment	34.4	34.9	34.5	10.5	25.0	12.0
Semi-detached, terrace or townhouse	12.4	10.8	12.1	11.6	10.0	12.0
Detached house on individual block	32.5	40.5	33.8	64.5	45.0	61.7
Caravan or mobile home in caravan park	0.1	0.0	0.1	0.3	0.0	0.0
Boarding house, hostel or private hotel	2.6	4.7	2.8	0.0	2.5	0.7
Granny flat, sleep-out, garage etc.	1.4	2.2	1.5	2.3	7.5	2.9
Other	2.6	6.9	3.3	8.8	10.0	8.8
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100</b>	<b>100.0</b>	<b>100.1</b>	<b>99.8</b>
	1438	232	1728	352	40	407

## 5.2 Accommodation preferences and problems

### 5.2.1 Prevalent problems

Household type and dwelling type provides us with little information that is really new, given similar information can be acquired elsewhere. More interesting are observations about problems experienced in the move to independence. As a starting point, respondents were asked how satisfied they were 'overall' with their accommodation, they **reported remarkably low levels of dissatisfaction: less than 10 per cent for both recipient and non-recipient customer groups**. Benchmarked against the annual public housing surveys conducted by Donovan and Associates, young people express a much higher satisfaction rate. Similarly, when asked to select from a list of 13 possible housing problems, a substantial (but variable) minority in each client group reported that they had 'no concerns' whatsoever about their current housing situation. In view of the income and other constraints young people have to work through in finding a dwelling, this was a surprising but positive finding. Perhaps because young people have lower expectations and view the role of a dwelling differently, i.e. as a transition stage, they are perhaps less critical than other consumer groups. However, while generally satisfied, this is not to mean they had no concerns with their housing.

While 42.5 per cent of E group (those largely living at home) 'have no concerns about my housing', this fell to 24.8 per cent in the weighted A-D aggregate. The most obvious explanation for this response would seem to relate to the fact that living with parents presumably resulted in a better quality of housing than could be afforded if they were to live independently.

Nevertheless, a majority in all customer groups drew attention to at least one concern they had with their current housing situation. Table 6 ranks the problems listed in the questionnaire in order of prevalence among respondents in the combined RA recipient group. There were quite marked variations from group to group. The weighted groups A to D disproportionately identified high rental costs as a concern and, if hours required to work to pay housing costs are included, over 50 per cent expressed a concern with housing costs. The next closest were housing quality issues such as poor security and landlord reluctance to do repairs. For group E, who predominantly live at home, family and household conflict accounted for one-third of all concerns, with distance from the tertiary institution the next highest. The family/household conflicts are probably indicative of the strained relationships that can occur in any family as young people get to that age of potential independent living but remain at home for reasons of cost or comfort.



**Table 6 Aspects of current housing situation that are a problem by (weighted groups A-D and group E)**

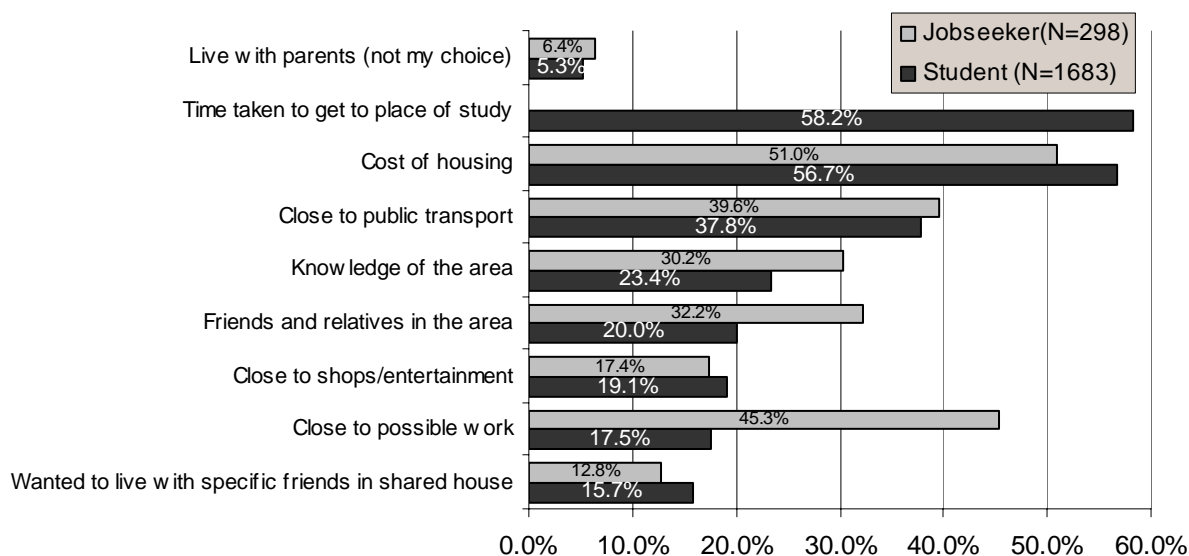
	<b>Weighted A-D (%)</b>	<b>Group E (%)</b>
High rents †	35.2	10.3
Poor security of dwelling †	18.4	7.6
Landlord won't/is reluctant to do repairs †	17.9	4.9
Hours required to work to pay costs †	17.4	5.6
Household conflict	14.5	12.0
Poor security of surrounding area †	13.0	6.6
Sub-standard household facilities †	10.5	3.4
Overcrowding in the household	10.4	10.5
Distance from your tertiary institution †	9.8	19.1
Distance from shops/entertainment †	8.2	13.9
Distance from job opportunities †	7.8	13.9
Family conflict †	3.5	22.5
Harassment by landlord	3.0	1.5
<b>TOTAL</b>	<b>1,725</b>	<b>409</b>

† Statistically significant differences between customer groups ( $p < .001$ ).

### *5.2.2 Satisfaction with proximity of accommodation to work and study*

When any individual or households makes a housing consumption decision, they must also make a location decision. The survey asked what were the key location factors in the housing decision making process, with Figure 7 showing the results for jobseekers and students. For students, the time taken to get to their place of study was most frequently mentioned as a key factor in deciding where to live (58.2 per cent). Similarly, proximity to possible work was identified as a key factor by jobseekers (45.3 per cent). These sorts of locational factors tended to be more prevalent than considerations about sharers or familiarity with a given area.

**Figure 7 Key factors in choice of location of housing *by* jobseeker/student (total groups A to F, unweighted \*)**



\* This comparison is of student responses relative to jobseekers not RA recipients so a weighted aggregate was not used (see section 2.1)

To what extent were these priorities actualised in the accommodation that respondents managed to find? RA recipients were *less* likely than non-recipients to report problems relating to the location of their new accommodation. Approximately double the proportion of respondents in group E (19.1 per cent) said their current housing was too far away from their tertiary study institution, **suggesting locational satisfaction is positively correlated with living independently from parents. Here choice appears to have been increased by the access that respondents have to RA (or at least to the addition of the ‘away from home’ rate of YA).** This interpretation is reinforced by earlier findings regarding the relative importance attributed to RA by those moving from rural or remote areas in order to study.

### 5.2.3 Satisfaction with quality of dwelling

In terms of satisfaction with the actual dwelling there was no single outstanding concern, with lack of quietness being the major source of dissatisfaction, a result no doubt related to the problems of combining shared living with study (see Table 7). RA recipients were most likely to identify the poor security of their dwelling (and, to a lesser extent, its immediate surrounds) as being of concern to them. Nevertheless, the figures were still relatively low, with only 15 per cent of respondents expressing concerns with security of the house or the area. Looking just at students, lack of security again emerges as a particular source of dissatisfaction among RA recipients. Landlords not undertaking, or being reluctant to undertake, repairs were also relatively prominent issues for this group. Possibly as a consequence, RA recipients were more likely than non-recipients to identify sub-standard household facilities as a problem with their current accommodation.

It seems that, while RA offers recipients more choice about where to live, the sorts of dwellings they find are lacking in basic amenities, particularly when compared with the circumstances of young people who live at home with their parents. Poor housing may in turn mean conditions that are not conducive to good study and job search routines. However, when asked about the sorts of factors that might be seen as crucial, particularly to a good study environment (access to a study area, the quietness and privacy afforded by a dwelling), there was not a marked difference between recipients and non-recipients.

**Table 7 Students' satisfaction with features of present accommodation by RA recipient and non-recipient groups**

	A-D weighted (RA recipients)						Group E (YA recipients)					
	very satisfied	satisfied	neither	dis-satisfied	very dis-satisfied	TOTAL	very satisfied	satisfied	Neither	Dis-satisfied	very dis-satisfied	TOTAL
Availability of study area or desk	40.4	40.6	10.2	7.2	1.7	961	42.1	36.8	7.0	12.3	1.8	57
Level of privacy	29.2	43.3	14.8	8.0	4.7	973	26.2	49.2	9.8	9.8	4.9	61
Quietness	26.1	30.3	22.4	15.3	5.8	976	27.9	34.4	26.2	8.2	3.3	61
Cooking facilities	34.7	44.9	10.1	7.7	2.6	958	44.6	39.3	10.7	1.8	3.6	56
Bathroom facilities	34.1	43.1	12.0	8.6	2.2	976	44.1	37.3	11.9	5.1	1.7	59
Closeness to public transport	50.8	34.1	8.2	5.0	2.0	919	39.3	41.1	12.5	3.6	3.6	56
Security of dwelling	21.2	44.4	17.7	10.9	5.7	975	33.9	35.6	16.9	8.5	5.1	59
Security of surrounding area ◆	20.2	41.6	20.7	13.0	4.5	978	29.5	41.0	19.7	9.8	0.0	61

Totals exclude those who reported the item was 'not relevant' to their living situation and refer to respondents who had moved house less than a year prior to the survey. Differences between customer groups statistically significant at the .05 level.

### 5.3 Changing address and searching for accommodation

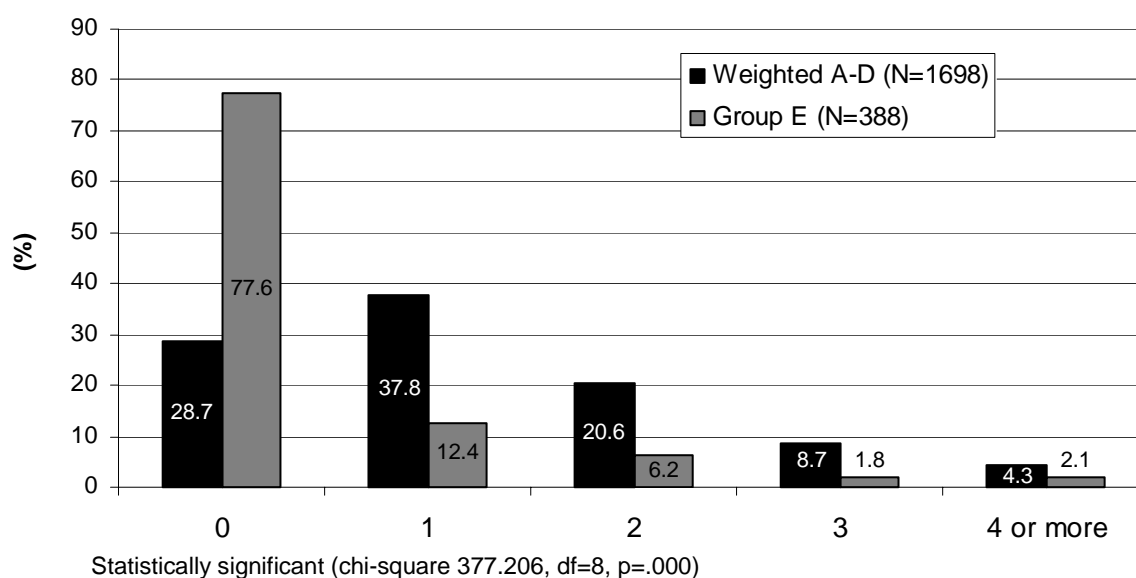
Changing address can be a strong indicator of dissatisfaction with one's housing situation. It can also be seen as an attempt to solve the problems that led to a previous arrangement breaking down or that made it difficult to put work and study plans into operation. This section looks at the sorts of problems that caused respondents to move home at some time in the year prior to the conduct of the survey. All those in groups A, B and C would have been in receipt of RA at the time of the move, as would the vast majority of young people in group D (many of whom would be making the transition from living with parents to living independently for the first time). The responses of those in group B and D are of particular significance because their decisions about moving home would have been made in the context of being new recipients of RA.

#### 5.3.1 Frequency of moving

Despite the relatively short period of time in independent living, almost three-quarters of the aggregate RA recipient group had moved at least once in the previous year, although a good proportion of these moves will be the first move into independent living; 20.6 per cent had moved twice and 13.0 per cent three or more times. By contrast, the non-recipient groups were much less likely to have moved, with over three-quarters of group E not having moved in the previous year.

There were also notable differences between RA recipient groups. Groups B (52 per cent) and C (56 per cent) were less likely to have moved in the year prior to the survey than groups A (70 per cent) and D (77 per cent). The high percentage for group D reflects the selection criterion for this customer group, i.e. those who had made the move to independent living after the introduction of YA. For group A, the high proportion is probably indicative of the relative instability of their housing arrangements, despite having been living independently as jobseekers prior to the policy changes.

**Figure 8 Number of address changes in the last year (Weighted A-D and E)**



### 5.3.2 Reasons for moving

Respondents were asked about their reasons for moving from their last address, with Table 8 summarising the results. The most interesting pattern in responses is the very *lack* of pattern – no one issue or factor predominates, with responses spread over a range of factors. No reason proved salient to any more than one-fifth of respondents. This is less indicative of the relative unimportance of the listed items to respondents than it is of the diversity and specificity with which reasons for moving house may be explained. The most important factors were:

- More compatible people to live with (probably reflecting the high numbers in group living, and lack of experience in managing shared living situations of many young people);
- Too expensive (a consistent theme through all decision making stages);
- Inconvenient location, either because of remote living or too far from place of study/work;
- Low quality of current dwelling (probably reflecting the trade-off many young people have to make to obtain affordable and locationally appropriate housing).

There was some variation, however, between different types of young people. Looking firstly at the aggregate RA recipient group in comparison with the non-recipient group E, the only statistically significant differences are those relating to decisions based on a desire to get away from ‘incompatible’ people or be with ‘compatible’ people. These factors were more prominent in the responses of RA recipients, although when factors are ranked in order of prevalence among the different groups, they still rank quite highly for non-recipients. After these two factors (mentioned by about one-fifth), RA recipients were equally likely to identify the expense (17.4 per cent) or low quality (17.0 per cent) of their former accommodation as reasons for moving.

Also important for the RA group as a whole was moving because they were in a rural or remote location. This was the most likely cause of moving among current students (19.4 per cent) who had presumably left home in order to study. A similar proportion of jobseekers (17.8 per cent) identified the lack of job prospects at their former address as a key reason for leaving. For jobseekers, the most frequently selected reason was moving to escape ‘incompatible people’ (28.5 per cent). Similarly, they were more likely than students to identify relationship breakdowns as a key factor.

Not surprisingly, wanting to be independent from parents was a frequently nominated reason for moving by respondents in group D (18.0 per cent), particularly among jobseekers.<sup>4</sup> The incompatible people identified by a similar 17.2 per cent of students as causing their move were probably family members.<sup>5</sup> The most common explanation given by students in group D, however, was to leave a remote or rural location (23.8 per cent, compared with 8.5 per cent of students in group C and 6.6 per cent in group B).

**Table 8 Main (three) reasons for moving (within the last year) by customer group (weighted A-D, A to E)**

	Weighted A-D			Group A	Group B	Group C	Group D	Group E
	Student	Job seeker	Total	Total	Total	Student	Student	Total
Lived in a remote or rural area	19.4	3.9	16.7	5.8	6.6	8.5	23.8	12.7
Lived too far from my place of study	14.6	1.1	12.1	0.7	12.7	7.1	15.5	7.6
No longer needed to be in hall of residence	5.4	1.7	4.7	0.0	12.7	0.5	2.9	1.3
Moved with parents (not my choice)	0.7	2.8	1.0	2.2	0.5	0.3	0.8	25.6
Too expensive	16.4	25.1	17.4	25.2	26.9	17.7	13.4	12.7
Wish to be independent from parents	14.0	16.7	14.5	7.2	2.8	5.0	18.0	19.0
Relationship breakdown	6.9	13.3	8.4	15.1	7.1	11.6	6.7	15.2
Wanted to move in with / stay with compatible people	18.3	17.8	18.3	14.4	28.3	23.3	14.6	13.9
Wanted to move away from incompatible people	19.3	28.5	21.3	28.1	25.5	27.0	17.2	17.7
Inadequate standard of accommodation	16.4	20.7	17.0	17.3	24.1	18.8	14.6	16.9
Eviction or lease not renewed	7.6	8.9	8.4	9.4	11.3	11.6	6.3	6.3
Public transport too far away	5.5	8.9	5.9	9.4	4.2	5.3	5.9	7.7
Inconvenient for jobseeking	3.7	17.8	6.0	23.0	4.7	6.3	3.3	9.0
Returned from overseas/travelling	2.3	3.9	2.4	1.4	2.8	0.5	2.1	6.3
<b>TOTAL</b>	<b>980</b>	<b>180</b>	<b>1,197</b>	<b>139</b>	<b>212</b>	<b>378</b>	<b>239</b>	<b>79</b>

<sup>4</sup> A total of 25.8 per cent of jobseekers, compared with 18.0 per cent of students, identified this as a key reason. The numbers are too small for this difference to be statistically significant, although it is suggestive.

<sup>5</sup> Again, jobseekers were more likely to select this option: 29.0 per cent, compared with 17.2 per cent of students. The same caution made above regarding inference applies.

### 5.3.3 Search process

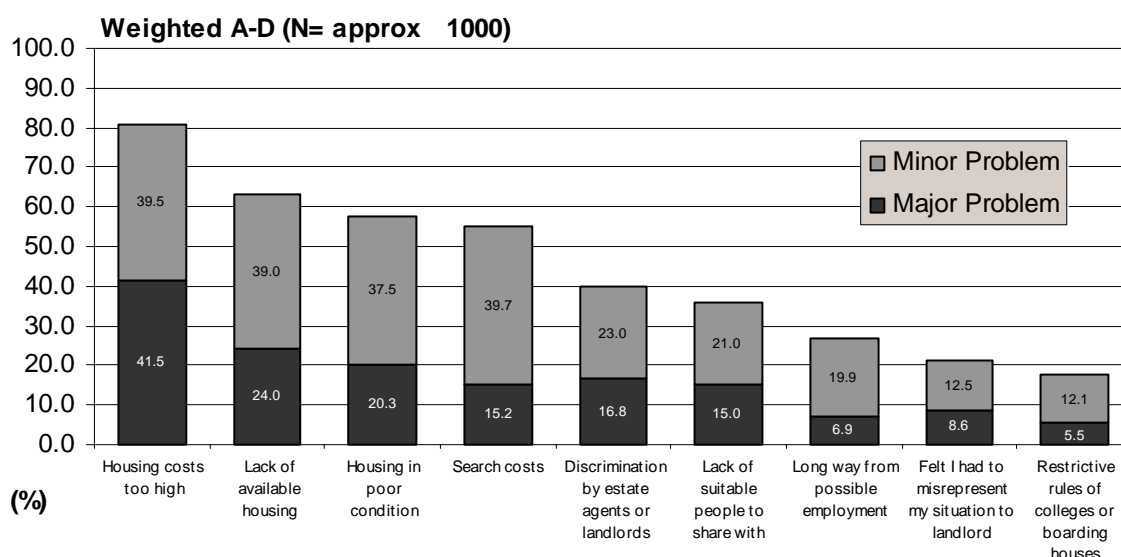
As the above section shows, a variety of stress and strain factors might encourage a move. However, the search for a new place raises a new set of problems. This sub-section looks at the specific problems encountered by young people in finding and securing a suitable place to rent. Figure 9 presents the difficulties experienced by respondents in order of salience for those in RA recipient and non-recipient groups who had moved within a year prior to the survey.

The expense associated with finding and establishing new accommodation was highlighted by over 80 per cent of all those surveyed as either a major or minor problem. The written responses drew attention to the difficulty of paying up-front costs, particularly in finding money for the bond or, in some cases, additional rent in advance. Paying reconnection fees for essential services in the new place was also a notable financial burden, as was having to pay double rent in periods of overlap.

Lack of available housing was identified by two-thirds of respondents as a major search difficulty, while discrimination by landlords or estate agents was not an uncommon experience among those who had moved house in the previous year. Contrary to what might have been expected, it was older house hunters, particularly those over 21, who were most conscious of discriminatory treatment. Looking just at RA recipients, 12.3 per cent of those under 18 reported that discrimination had been a 'major' problem, compared with 14.9 per cent of those aged 18 to 20 and 22.3 per cent of those aged 21 to 25.<sup>6</sup> This relationship could be due to older house hunters being more experienced in the housing market and therefore more likely to recognise discrimination, which is often subtle and indirect.

In the RA aggregate, discrimination was also more prevalent in the experience of students than of jobseekers. Many respondents took the trouble to explain the particular difficulties they had confronted. Their comments suggest that the problem of finding suitable accommodation is not only a question of having the requisite income.

**Figure 9 Difficulties encountered in most recent search for accommodation by customer group (weighted A-D those moving in the last year)**



<sup>6</sup> This relationship remains when only those currently renting from a private landlord or real estate agent are included in the analysis. In other words, the greater level of discrimination reported by older respondents is not a consequence of those in the younger age groups being more likely to rent informally from family and friends.

## 5.4 Recipients' assessment of the impact of RA on their housing situation

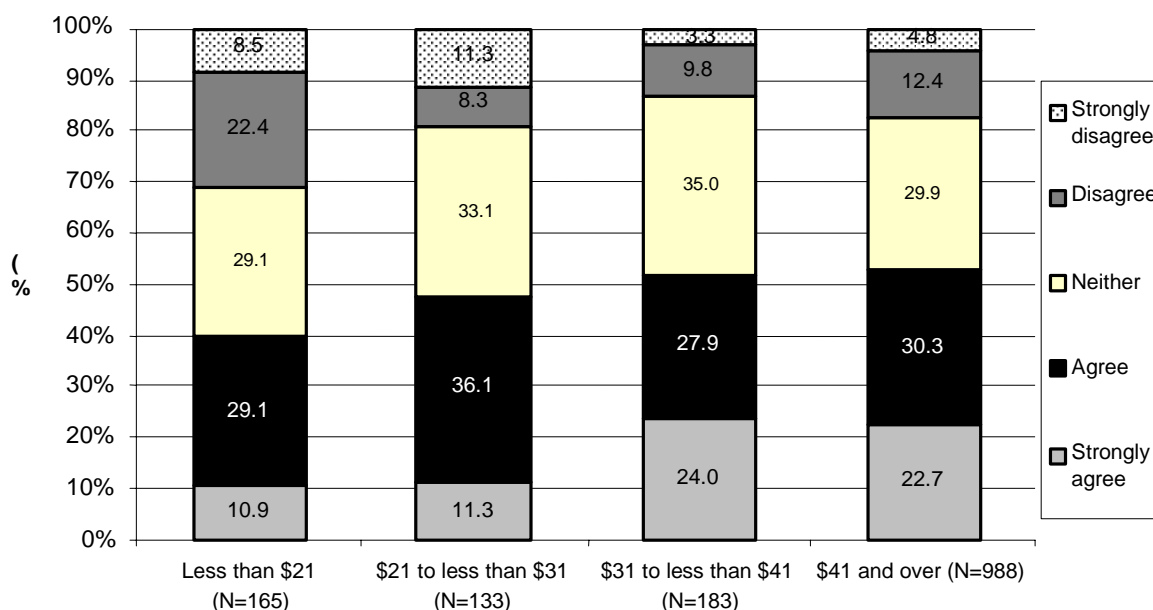
To what extent was access to RA seen by respondents themselves as increasing the accommodation options available to them? A series of questions was put to RA customers asking for comment on the helpfulness of RA in enabling a range of possible life and housing choices. These questions were intended to gauge general perceptions about the value of RA rather than to obtain precise information on the uses to which the additional income was put, and the responses should be interpreted accordingly. Specifically, RA recipients were asked whether they agreed or disagreed with the statement that access to the benefit 'helped improve my housing situation'. Several issues are at stake here. Did the respondent feel their housing situation needed to be improved in some way? Was the situation one that could be improved by monetary means? Did the respondent actually spend the additional income on trying to improve the situation? And, if so, what was the magnitude of this improvement seen to be? For longer-term recipients of RA, it may have been difficult to recall a 'before and after' scenario that would enable comment on 'improvement' or otherwise to their housing situation. All these factors make the responses difficult to interpret; nevertheless, they do provide valuable information on customers' own assessment of the usefulness of RA in making changes to their accommodation.

One-half (50.2 per cent) of customers agreed either strongly or otherwise that RA had 'helped improve their housing situation'. This suggests that, for these respondents, RA played an important role in overcoming problems they were experiencing with their accommodation. This means that just under half the respondents were either ambivalent (30.7 per cent) or disagreed (18.5 per cent) that RA had made an improvement. Since additional income is unlikely to be seen as having a negative impact on a person's housing situation, how should the extent of ambivalence and disagreement be interpreted? As noted above, some young people may have been experiencing difficulties with their housing that could not be addressed by extra money, for example, relationships within the household, or discrimination. Others may not have been experiencing housing-related difficulties prior to accessing RA and consequently may have responded 'neither agree nor disagree'.<sup>7</sup> Another factor is likely to be the amount of RA received, and hence the extent to which the additional money opened options such as moving house to enable better quality accommodation or to escape problematic relationships within the household. Almost one-third (30.9 per cent) of those receiving less than \$21 a fortnight either disagreed or strongly disagreed with the idea that RA had improved their housing situation. This fell to 19.4 per cent for those receiving between \$40 and \$50 and to 13.2 per cent for those receiving more than \$50 a fortnight. This suggests that higher payments are recognised as making a tangible improvement to a recipient's housing outcomes.

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<sup>7</sup> A 'not relevant' category was provided, but respondents may have felt 'neither agree nor disagree' to be more appropriate.

**Figure 10 RA helped improve my housing situation by fortnightly amount of RA received (weighted A-D)**



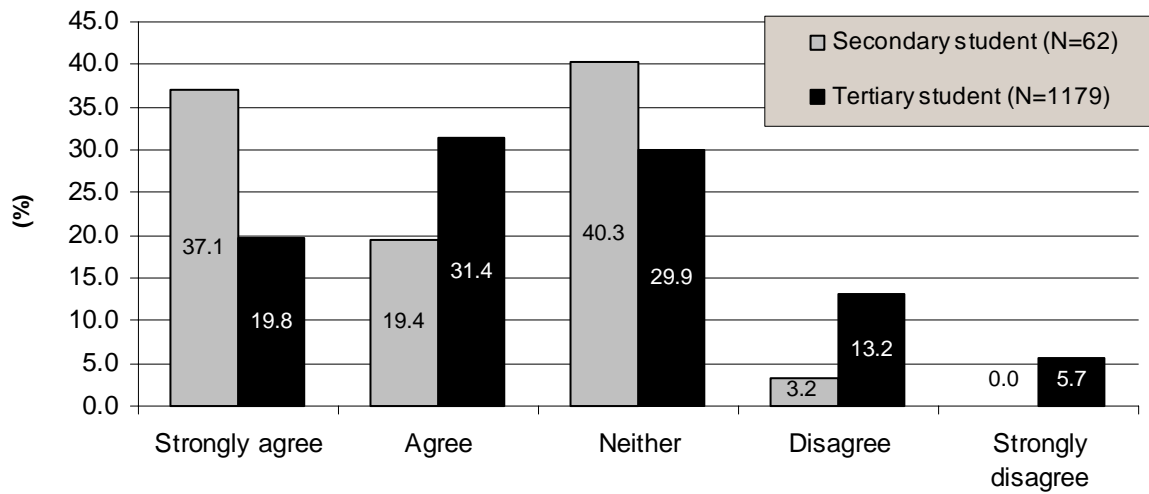
Excludes those who were unsure whether or not they were receiving RA and those who said they were not. Statistically significant (chi-square 64.411, df=16, p=.000).

Jobseekers and students gave similar responses to this question, as did respondents in the different RA customer groups, but a notable difference was apparent between secondary and tertiary students. RA was perceived by those attempting to finish secondary school as having been of considerable importance in helping establish suitable accommodation. About one-fifth of these secondary students received RA under the category ‘unreasonable to live at home’ (under the former legislation, these young people would have received the ‘homeless’ rate of AUSTUDY). They are a particularly disadvantaged group of people who are likely to have restricted opportunities for gaining paid work and are unlikely (almost by definition) to receive any financial support from parents. Although the numbers are very small, it is worth noting that about half this group of secondary students strongly agreed that RA helped them improve their living situation, while the other half were ambivalent.<sup>8</sup>

<sup>8</sup> As a whole, however, student RA recipients for whom it was judged ‘unreasonable to live at home’ were not significantly more likely to give a positive response to this question than were other RA recipients.



Figure 11 RA helped improve my housing situation by student type (weighted A-D)



Excludes those who were unsure whether or not they were receiving RA and those who said they were not. Statistically significant (chi-square 21.510, df=4,  $p < .01$ ).

While a majority agreed that RA had improved their housing circumstances, a large minority were neutral or disagreed. One interpretation of this response which is given some weight when we look at the relationship between housing and employment is that RA is not seen just as housing assistance but as a form of income support, and that while they did not necessarily see it as improving their housing situation it may have been important in meeting other after housing expenses, e.g. education.

## 6. HOUSING AND EDUCATION

A desire for education alone is a necessary condition for high educational participation rates but it is not sufficient. For many young people, particularly those in independent living, educational participation is also enabled by having the necessary income and appropriate housing. Assumptions are often made about the ways in which people take into account either the availability or amount of income support when making important life choices. The introduction of YA brought into being a bundle of incentives and disincentives designed to encourage young people to increase their 'marketability' and long-term independence, particularly by extending their participation in education and training. By broadening student access to RA, the Commonwealth Government sought to remove an obvious but unintended financial penalty incurred by young people living independently who chose to continue or resume their education rather than risk indefinite periods of jobsearch. The aim in this section is to ascertain whether, and to what extent, access to RA enters into young people's thinking about study and work options.

The importance attributed to RA is likely to depend on how central accommodation-related issues are to young people's ability or desire to study. The previous chapter identified a high degree of awareness among RA recipients regarding the existence of RA as a distinct component of their YA payment. The extent to which eligibility influences decision making will depend on how valuable this income supplement is to the potential customer and what sorts of options (housing-related or otherwise) it is seen to open up. It is unlikely to mean the same thing or to be of equal value to all, and key variables will be explored in this chapter.

**Section 6.1** explores the sorts of factors that enter into respondents' initial thinking about whether or not to stay at school or undertake further tertiary study.

**Section 6.2** looks at how decisions about *where* to study are made. Choices about what and where to study are critical if young people are to find a place that suits their needs, abilities and interests. To what extent is choice constrained by the exigencies of finding and affording suitable accommodation? and, from there, how does access to RA impact on students' perceptions of the available options?

Undertaking study alongside paid work has generally been seen as a positive and necessary aspect of student life, but the balance may again be determined by financial considerations that make successful study more difficult and impede the longer-term independence of young people.

### 6.1 The decision to study

Students undertake studies for a variety of reasons, including improving work prospects, personal improvement, credentialism and enjoyment. Housing is important in the decision to study if it acts, in some way, to deter or impede education. One way of getting a handle on this is to ask of those not studying: why not?

#### 6.1.1 *Why not study?*

Respondents who identified themselves as jobseekers<sup>9</sup> were presented with a list of reasons describing why they chose not to continue or undertake study. None of the suggested reasons appeared relevant to any more than 40 per cent. Of those who had other responses, it was apparent that most encountered certain circumstances that conspired to make study too difficult.

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<sup>9</sup> A total of 332 respondents across all customer groups, including those on activity agreements.

The prevalence of a feeling of ‘uncertainty about what to do’ (indicated by 30.8 per cent of RA recipients) suggests that the parameters of decision making were less clear-cut than a choice between trying to find work now or investing in future opportunities via education. However, the strongest influence for jobseekers in the RA customer group appears to have been a preference for work above study (39.9 per cent).<sup>10</sup>

Financial considerations were also important. The prospect of paying fees was a key disincentive for one-fifth (20.6 per cent) of respondents. Over 14 per cent said that further study was not an option for them because they would not be able to afford the general living costs, including housing costs. Female RA recipients were more than twice as likely to identify educational fees as prohibitively expensive (25.4 per cent, compared with 10.3 per cent of males).<sup>11</sup>

Jobseekers were also asked explicitly about the impact of housing difficulties on the decision not to continue study. The responses (see Table 9) provide an indirect estimate of the extent to which the absence of sufficient help in finding or financing accommodation might discourage young people from continuing their education. Just over half in both RA recipient and non-recipient groups said housing difficulties had played *no* role in their decision, although substantial minorities said they were a ‘major factor’. The term ‘housing difficulties’ is likely to mean different things to young people living in the family home, compared with those living away from home. Interestingly, the non-recipient jobseeker group (group E) was more likely to identify housing difficulties as a major factor (27.9 per cent) than the recipient group (18.5 per cent). This was particularly marked in the case of young women, although the small number of jobseekers in group E precludes reliable comparison.

There was no significant variation according to area address or age group.

**Table 9 How important have housing difficulties been as a factor stopping you from doing further study? *by* gender (non-students only)**

	Weighted A-D (%)			Group E (%)		
	Female	Male	Total	Female	Male	Total
Major factor	19.0	17.4	18.5	37.0	12.5	27.9
Minor factor	27.0	23.3	25.8	11.1	31.3	18.6
Not important at all	54.0	59.3	55.8	51.9	56.3	53.5
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.1</b>	<b>100.0</b>	<b>100.1</b>	<b>100.0</b>
	174	86	260	27	16	43

The differences between customer groups, and between males and females in each customer group, do not reach statistical significance.

### 6.1.2 Access to RA as an incentive to study

Having looked at the financial and housing-related factors that enter into respondents’ decisions *not* to study, to what extent does income support have a positive influence in encouraging young people to resume or continue their education? Students currently receiving RA were explicitly asked about the influence of the availability of this payment on their decision to study. This would be a difficult question to answer retrospectively, and 9.7 per cent said ‘don’t know’ in response. Just over one-fifth of students currently receiving RA (22.0 per cent) reported that considerations about the payment had *no* impact on their

<sup>10</sup> This was more common among males (49.4 per cent, compared with 34.7 per cent of females). Despite the small numbers, this difference is statistically significant (p=.032).

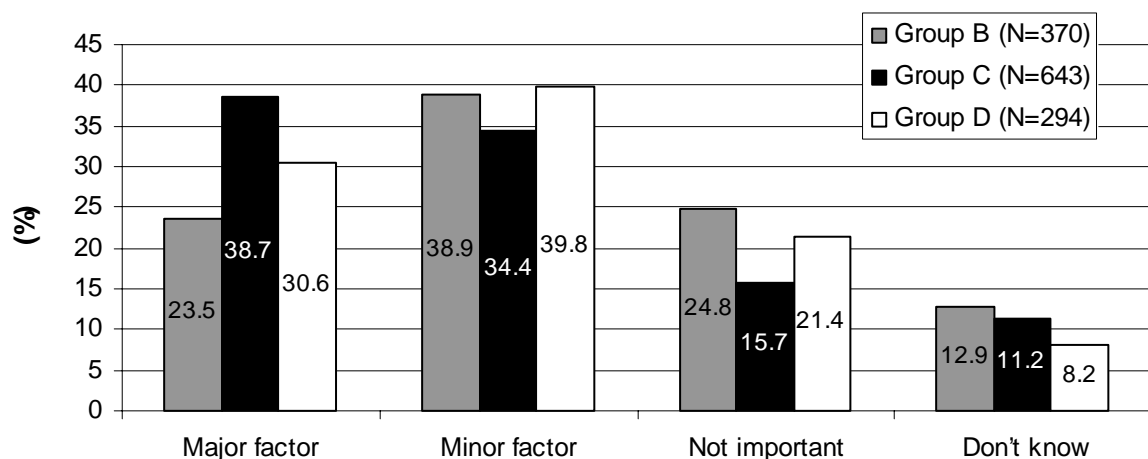
<sup>11</sup> The gender relationship is statistically significant (p=.007). This consideration was also more common among younger RA recipients (29.3 per cent of those under the age of 18, compared with 18.7 per cent aged 18 or over), but the numbers are too small to allow confident inference.

choice to study, the largest proportion (39.3 per cent) felt it had been of minor importance, and a substantial 29.0 per cent that it had been a major consideration. **In total, this means that almost 70 per cent felt that the availability of RA had been a factor (to a greater or lesser degree) in their decision to study.**

The response of customer group C to this question is of particular interest because this group made the transition from jobseeker to student subsequent to the expansion of RA eligibility. These young people would have had to give up access to RA if they'd wanted to become students prior to this change. Respondents in customer group D moved away from the parental home at some point after the changes had been introduced and were also likely to have been influenced in their considerations about whether to study by the availability of RA. Respondents in customer group B were students at the time of the change and so for this group the impact of the additional income support on the capacity to *remain* in education is the key issue.

Figure 12 compares the responses of these three customer groups.<sup>12</sup> As anticipated, considerations about RA figured more prominently in the choices of group C, where the greatest proportion (38.7 per cent) identified access to the payment as having *major* significance in their decision to study.

**Figure 12 How important a factor was the availability of RA in your decision to study? *by* customer groups B, C and D (students only)**



Excludes those in identified customer groups who were unsure whether they were currently in receipt of RA, or who said they were not. Statistically significant (chi-square 30.823, df=6, p=.000).

There was no significant difference in the response of males and females to this question, but age, student type and area address appear to be important variables. Those resident in regional centres were most likely to report that the availability of RA had played a major role in their decision to study. While *jobseekers* from capital cities were more inclined than others to say that getting less income support discouraged them from further study, *students* from capital cities were more likely to say this factor was 'not important at all' as a positive incentive (27.6 per cent, compared with 17.0 per cent of students in regional centres and 18.3 per cent in other urban, rural or remote locations).<sup>13</sup> More revealing, however, was the response of young people who had moved from rural or remote areas subsequent to the extension of RA eligibility and who had since become students (see Table 10). RA was a 'major factor' in the decision to study for 39.8 per cent of these students, a higher proportion than any other variable. This highlights the importance of RA in facilitating educational opportunities for young people from remote and rural areas.

<sup>12</sup> Customer group A is not shown because the number of students in this group is so small.

<sup>13</sup> Statistically significant (chi-square 14.136, df=4, p=.007).

**Table 10** How important a factor was the availability of RA in your decision to study? *by* whether moved from remote area in the last year (weighted A-D, students only)

	Moved from remote area (%)	Others recently moved (%)
A major factor	39.8	29.3
A minor factor	37.0	38.7
Not important at all	16.6	22.0
Don't know	6.6	10.0
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>
	181	727

Excludes those who were unsure whether they were currently in receipt of RA, or who said they were not. Statistically significant (chi-square 9.019, df=3, p=.029).

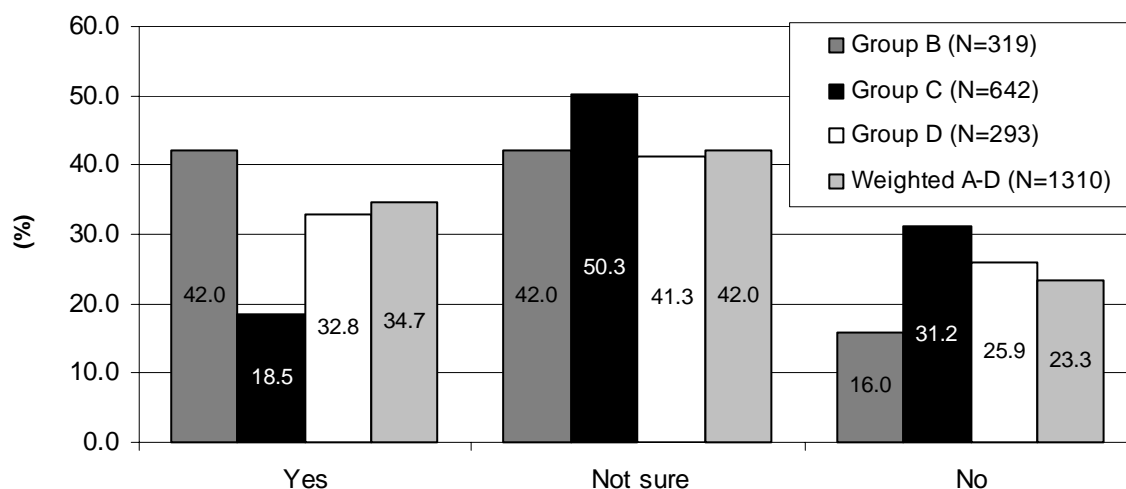
The extent to which RA was nominated as a factor in the decision to study varied considerably according to age and whether students were studying at the tertiary or secondary level. **Over half (51.5 per cent) of secondary students said the availability of the payment was of 'major' significance, compared with only 27.7 per cent of tertiary students.** Almost half those aged under 18 identified availability of RA as a major consideration, whereas this was true for one quarter of those aged 21 to 25 years and only one-fifth of mature age students (those 25 years or over). The youngest students were also far less likely to say RA was 'not important at all' in their choice. Although the majority of secondary students were also under 18, the importance attributed to RA by this group was high, regardless of age. For tertiary students, the age difference remained, with younger students more likely to attribute a more important role to RA in their decision making.<sup>14</sup>

### 6.1.3 The role of RA in enabling study

Respondents were asked a direct question about whether or not they would have been able to study had RA *not* been available to them as students – in other words, to what extent could it be seen as the critical factor? Just under one quarter (23.3 per cent) of students receiving RA said categorically that they would *not* have been able to undertake or continue studying without the additional income support. This rises to 31.2 per cent of those who became students after RA had been made accessible to students (customer group C).

<sup>14</sup> A total of 49.2 per cent of tertiary students under 18 said the availability of RA was a major factor in their decision to study, compared with 27.5 per cent of those aged 18 to 20 and 25.3 per cent of those aged 21 to 25. Age differences among tertiary students are statistically significant at the p<.01 level.

**Figure 13 Would you have been able to take up/continue study if RA had not been available to students?  
by customer group**



RA again emerges as being particularly important for younger students and for those attempting to complete secondary school. A total of 41.2 per cent of secondary students receiving RA (the majority of whom were not students prior to the expansion of the eligibility criteria) believed they would *not* have been able to resume (or continue) their education without it. Conversely, only 10.3 per cent felt sufficiently confident to report they would have been able to study without the additional income, and this compares with 36.0 per cent of tertiary students.

The under-18s were also more likely to see the availability of RA as a key determinant of the options open to them, with 37.7 per cent saying they would not have been able to study without it, compared with 23.0 per cent of those aged between 18 and 20 years.

Current students who had moved from a remote area since the changes to RA eligibility were introduced were again considerably more likely to identify RA as critical (38.5 per cent saying they wouldn't have been able to study without it, compared with only 21.5 per cent of others who had moved house during that period).<sup>15</sup> Males were more inclined than females to attribute a critical role to RA in enabling study, with 29.5 per cent saying they couldn't have managed otherwise.<sup>16</sup>

Respondents were asked generally whether RA 'helps me continue with my studies' as part of a list of items inviting them to specify the uses or usefulness of the benefit. The statement implies help in supporting existing studies (although it could also be interpreted as help in taking up new educational opportunities). Ratings of the perceived usefulness of RA give an indication of the extent of choice it is seen to facilitate. A large majority (75.7 per cent) of student recipients felt RA helped at least to some extent, with males tending both to be more strongly positive than females and more likely to agree with the statement overall (81.8 per cent, compared with 72.7).<sup>17</sup>

The youngest group of respondents (under 18) were once again most likely to be positive in their feelings about the role of RA in supporting study. A total of 87.7 per cent overall either agreed or strongly agreed that RA had helped, compared with 76.8 per cent of those over 18 and under 21.

<sup>15</sup> Statistically significant (chi-square 6.972, df=2, p=.031).

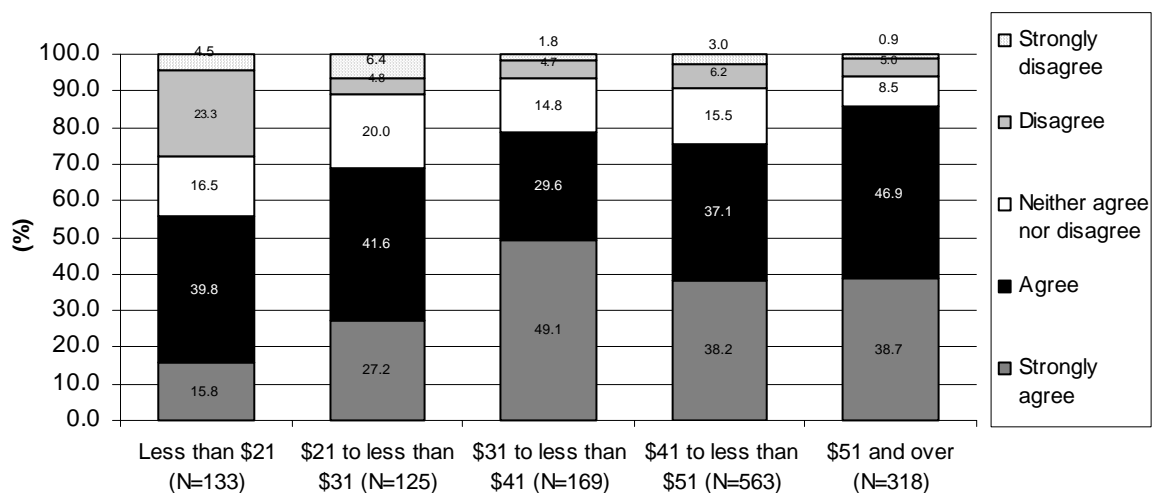
<sup>16</sup> Statistically significant (chi-square 14.825, df=2, p=.001).

<sup>17</sup> Statistically significant (chi-square 13.501, df=4, p=.009).

Since it is difficult to see how having access to RA could actively *undermine* attempts to study in any way, it is perhaps more interesting to consider why around 10 per cent of students saw it as essentially unhelpful. As noted in chapter 3, many young people took the trouble to write on their questionnaire sentiments to the effect that the extra money was useful, but simply not enough to make a significant difference – a ‘drop in the bucket’ or ‘bus fare money’.

Figure 14 looks at the impact that the amount of RA received has on respondents’ attitudes to how helpful it was seen to be in supporting their efforts to continue study. As would be expected, the most obvious dissatisfaction was registered by those receiving less than \$21 a fortnight (over one quarter either disagreeing or strongly disagreeing), and this group were also least likely to express strong agreement with the statement. Positive response peaks with those receiving a maximum of \$41 a fortnight (just under half strongly agreeing that RA helped them continue their study). It may be that, after a certain point, additional need outweighs the additional income support.

**Figure 14 RA helps me continue with my studies *by* fortnightly amount of RA (weighted A-D, students only)**



Those respondents who were unsure whether they were receiving RA, or who said they were not, have been excluded from these calculations. Statistically significant (chi-square 111.705, df=16, p=.000).

## 6.2 Choosing a study institution

Respondents were asked to identify the key factors that led them to decide on a particular study institution. Table 11 sets out the responses of secondary and tertiary students to this question, with items ranked in order of popularity for tertiary students in the aggregate RA recipient group. The suggestion that the institution was chosen because ‘it had the right course for me’ was clearly most relevant to tertiary students, selected by about 80 per cent with little variation between customer groups or according to gender, region or age group. From this it would appear that most students choose their course and then look for an institution that offers it.

**Table 11 Important factors in choice of institution by level of study and customer group**

	Tertiary students					Secondary students	
	A-D weight -ed	B	C	D	E	E	A-D weight -ed
It had the right course for me ♦	81.2	79.6	79.4	82.6	83.3	33.9	52.1
Teaching reputation †	45.3	45.2	33.1	46.4	36.9	29.3	20.8
I had the scores to get in †	35.6	32.3	20.2	38.6	40.5	6.3	3.5
Status of institution †	28.1	26.8	20.6	29.4	30.4	12.7	9.2
Felt comfortable with institution	27.2	24.5	29.7	28.3	25.6	29.1	31.2
Nearest to home †	19.7	18.0	30.8	19.8	32.7	60.3	52.1
Can get there by public transport †	18.9	14.5	28.6	20.1	37.5	26.5	38.9
Affordable private rental †♦	16.4	15.1	14.7	17.4	4.2	3.7	27.0
Industry links of institution †	15.7	10.5	15.3	18.1	10.7	2.6	0.6
Availability of halls of residence †	13.5	16.7	3.9	12.6	1.2	0.5	7.4
Encouraged by parents †♦	9.8	9.7	5.6	10.2	10.1	31.7	18.2
Open day/marketing†	7.2	5.6	3.8	8.2	4.2	4.8	8.5
My friends were going there †♦	4.0	4.6	3.1	3.8	8.3	32.3	26.5
<b>TOTAL RESPONDENTS</b>	<b>1,374</b>	<b>372</b>	<b>640</b>	<b>293</b>	<b>168</b>	<b>189</b>	<b>73</b>

† Differences between tertiary students in customer groups are statistically significant. In all cases  $p < .05$ .

♦ Differences between secondary students are statistically significant. In all cases  $p < .05$ .

For RA recipients, the most relevant factors in choosing between tertiary institutions were those relating to the teaching reputation of the institution or course (45.3 per cent), the status of the institution (28.1 per cent) or more generally feeling comfortable with the institution (27.2). Over one-third (35.6 per cent) suggested the decision was determined by whether they had the scores to meet the entrance requirements. The prevalence of these educational factors was similar for tertiary students not in receipt of RA. Non-educational factors – including housing related ones such as access to affordable private rental, nearness to home and availability of halls of residence – were relatively less important. It would appear that housing factors and particularly the availability of RA are quite important in the decision to undertake or continue education, but is less important in effecting actual choice in educational institution.



## 7. POLICY IMPLICATIONS

- Many of the problems of young people, particularly those in receipt of RA, are the problems of a high dependence on the private rental market in a context of low incomes. In this respect they share with many sole parents and older singles not in ownership the problems and frustrations of the private rental sector: affordability, availability and, to a lesser extent, quality and discrimination. This suggests a need for some reconsideration of policy which address these problems. The nature of the research finding, however, does not allow for specific recommendations as to private rental policy.
- RA is vitally important in helping young people in independent living. There is little doubt, however, that for those in high rent housing markets (unfortunately where many tertiary institutions are located) that it offers only limited assistance. This is a problem no doubt shared by other groups on very low incomes, e.g. sole parents. Consideration should be given to ways of increasing financial support in high rent areas.
- As currently structured, RA operates both as an income support (giving clients choice in how they spend the money) and a housing payment. This raises important policy issues. If it is an income support, the ability to have payments differentiated by housing markets is limited by the social security legislation unless some form of high cost area allowance can be added. If made into an explicit housing program where expenditure is linked to actual housing payments, it might facilitate greater ability to achieve affordability outcomes but then create the problem that the money cannot be used for other purposes, e.g. education. This is a policy issue which needs debate.
- Young people living alone face major affordability problems, and the number of recipients of RA seem low relative to the single person affordability problem. Any reforms to RA should pay particular attention to this group.
- Housing quality was a concern of a substantial minority. In any policy consideration of reform of RA, thought should be given to whether payment should be linked with certain quality outcomes, i.e. it cannot be used for rental accommodation that does not meet some minimum standards.
- Many of the problems of young people in the early years of independence derive from the group living situation, e.g. incompatibilities, privacy and lack of quietness. Consideration should be given to a small kit or brochure available from Centrelink, landlords, estate agents and tenancy advice services on dealing with the problems of group living.
- Housing availability is a major problem for the young, particularly tertiary students. Tertiary institutions should be encouraged and facilitated to provide (particularly in high cost locations) more purpose-built affordable student accommodation, whether by head leasing or construction.
- In areas of low public housing demand or for hard to let stock, consideration should be given to mechanisms to enable such stock to be offered on short term tenancies to students who would otherwise qualify for RA.

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