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Questions on Notice

The Hon. RICK COLLESS: Thank you very much for coming along and thank you for your interesting submission. Have you got any figures on the percentage of Aboriginal young people compared to other groups— are they more represented in the young people homelessness figures, do you know?

Mr WATERFORD: Absolutely. I am happy to take on notice the specific percentage but I can say that they are significantly overrepresented, quite possibly by a ratio of five or six.

Response:

According to analysis of the 2011 Census developed by YFoundations, the youth homelessness peak, Indigenous young people made up 25% of the youth homeless population in Australia, but only 8% in NSW. Indigenous young people make up approximately 3% of youth population. This represents an over-representation by a ratio of approximately 2.5.

More information is available here:

https://yfoundations.org.au/files/Fact_sheet_General_020414_FINAL.pdf



The Hon. DAVID CLARKE: You have spoken about two different groups: the second group has experienced trauma and so forth and the first group are young people who have grown up in that environment and that is the only common thread. There are no other threads, like abuse and so forth. What would the proportions be, from your experience?

Mr WATERFORD: I am not sure. I am happy to take it on notice. That would be something that Housing NSW would have the data for but I am happy to go away and have a look.

The Hon. DAVID CLARKE: I would be grateful if you would do that.

Mr WATERFORD: It is worth noting, for that group that have grown up in public housing, they are not the head tenant on the property so it is often difficult to determine how many there are. They will be living there because their parents are still living there.

The Hon. DAVID CLARKE: It would be interesting to see what happens when their parents are no longer there. Do they continue to live in the same property?

Mr WATERFORD: I think they can put in an application to but I suspect, in many cases, they move on as well.

The Hon. DAVID CLARKE: Any information that comes to mind would be good.

Mr WATERFORD: It is not my area of specific expertise but I know the people for whom it is and I am happy to go and have a chat to them and come back to you.

Response:

According to the Australian Institute of Health and Welfare, in their report 'Housing Assistance in Australia 2013' nationally there are 3,000 young people allocated social housing each year:

In 2012, 1 in 5 (21% or 3,003) new allocations in public housing went to households with the main tenant aged 24 or under. Two (2) in 5 (42% or 176) new allocations in State Owned and Managed Indigenous Housing were to households with the main tenant aged 24 or under. (AIHW 2013, pg. 34)

The overall proportion of young people in social housing is 36% for Public Housing and 56% for State Owned and Managed Indigenous Housing (AIHW 2013, pg. 34)

I do not believe it is possible, with existing published data, to determine the proportion of young people in social housing having entered as a main tenant compared to young people who have grown up in social housing with their parents. Similarly, NSW specific data is difficult to find. I would recommend contacting Housing NSW for more detailed data on this issue.

AIHW data is sourced from here:

<http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129545051>



Mr WATERFORD: I am obviously conscious that this is not a State Government issue but a Federal Government issue. I would not advocate for the overnight abolishment of negative gearing; I would advocate for a phasing out of it over a number of years—seven, five years or something like that. It is a bit unfair to people who have already made investment decisions based on having negative gearing in place. But negative gearing is an incredibly inefficient tax break that provides a significant benefit to people, generally speaking, who can afford an investment property, which means that they are rich. It has very little social value. There has certainly been the argument that it increases supply, because negative gearing allows people to build more houses but that has been shown, time and time again, not to be true. In fact, it has very little effect on the number of houses. The amount of money that is lost to the Federal Government as a result of negative gearing would be far better spent in other ways to promote the increase in housing supply. Negative gearing, by and large, is a transition of wealth from the community to the wealthy.

CHAIR: Did I see—I am not sure whether it was in your submission or the next one—statistics that the average negative gearing property was to someone earning \$80,000?

Mr WATERFORD: That may be true, it is a long submission.

The Hon. DAVID CLARKE: Can you give us some evidence of the proposition you have just put forward?

Mr WATERFORD: Yes, I am happy to provide it. It is not based on my original research but on research done by other organisations.

Response:

The intention of Negative Gearing is to stimulate the building of additional dwellings in Australia. However, according to the Reserve Bank of Australia, in 95% of cases Negative Gearing is used to purchase existing properties, which does not directly have any impact on the building of new houses. Meanwhile, the ratio of investors to first home buyers is higher than ever. By creating a financial advantage for investors over people intending to purchase properties to live



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in, Negative Gearing has distorted the Australian housing market, pricing first home buyers out of the market.

Further information:

http://mckellinstitute.org.au/wp-content/uploads/2012/04/McKell_HomesForAll_A4.pdf - primarily Priority Area 6 (page 54).

<http://www.crikey.com.au/2014/04/14/chop-negative-gearing-and-theres-savings-for-buyers-and-the-budget/> - a simple breakdown of the topic.