

**Submission
No 441**

INQUIRY INTO THE RENTAL AND HOUSING AFFORDABILITY CRISIS IN VICTORIA

Organisation: Centre for Multicultural Youth

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CMY Submission to inquiry into the rental and housing affordability crisis in Victoria

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Introduction

The Centre for Multicultural Youth (CMY) is a not-for-profit organisation based in Victoria, providing specialist knowledge and support to young people from migrant and refugee backgrounds.

CMY welcomes the opportunity to respond to the Legislative Council Legal and Social Issues Committee inquiry into the challenges facing Victorian renters and factors causing the rental and housing affordability crisis in Victoria.

For more than 34 years, we have been working to ensure young people from migrant and refugee backgrounds have every opportunity to succeed. We do this by removing the barriers many young people face as they make Australia their home, through a combination of support services and programs, sector capability building, advocacy and knowledge sharing. Our work is provided across a growing footprint in Victoria with a primary focus on the growth corridors in Melbourne's North West and South East regions, and in regional centres in Ballarat and Gippsland.

Housing is a significant concern for the young people, their families and communities we work with. Access to safe, secure and affordable housing that is adequate and appropriate has been a longstanding priority for CMY, and we are committed to ensuring that the needs and experiences of multicultural young people, families and communities are understood and considered in decision-making in this area.

Over ten years ago CMY undertook extensive research into the issues facing young people from migrant and refugee backgrounds relating to homelessness and put forward a number of recommendations in the report [Finding Home in Victoria](#). In 2020, we drew on this report to make recommendations to the Parliament of Victoria's Legal and Social Issues Committee inquiry into the state of homelessness in Victoria. Both reports included a focus on the experiences of young people from migrant and refugee backgrounds in the broader housing market and service system.

It is disappointing to report to this Committee that the issues and recommendations raised by our research from over a decade ago remain relevant today. While housing affordability and cost of living pressures have undoubtedly worsened in recent years, placing more multicultural young people who may have previously been shielded into precarious housing situations, unfortunately the current situation has served to exacerbate deep and longstanding issues and challenges for many multicultural young people and their families rather than producing new ones – for the most vulnerable their needs and concerns endure or have worsened.

This submission responds broadly to inquiry terms of reference number 2. Options to address insecurity, availability and affordability issues facing Victorian renters; 3. The adequacy of regulation with regards to standards and conditions of rental housing; 4. The adequacy of the rental system and its enforcement; and 7. The experience of, and impacts of all of the above on, renters and property owners.

To inform this submission, we drew on our previous policy and research work in the area of housing and homelessness, as well as CMY's Reconnect casework experience in providing support to newly-arrived and refugee young people at risk of homelessness. We would encourage the Committee to consider the following as part of their inquiry:

- CMY. (2011). Finding Home in Victoria. Available at <https://www.cmy.net.au/resource/finding-home-in-victoria/>
- CMY. (2020). Submission to the Legal and Social Issues Committee's inquiry into the state of homelessness in Victoria (March 2020). Available at [Victorian Parliament website](#)

Summary of recommendations

- A Victorian Youth Homelessness Strategy with a youth housing guarantee that ensures all young people have access to safe and secure housing.
- New affordable housing stock to include dedicated properties for young people.
- Review and strengthen regulations of private rental market to address affordability and accessibility.
- Acknowledge the specific vulnerability of young people from migrant and refugee backgrounds with regards to homelessness and housing stress, and ensure all government-led strategies respond to this cohort.
- Resource gender-specific emergency and transitional accommodation options for young women, creating safe and culturally appropriate housing options.
- Invest in strengthening the cultural responsiveness of the housing service system on all levels to meet the cultural diversity of the Victorian community.
- Increase early intervention and support to families and young people from refugee and backgrounds to prevent the escalation of complex issues.
- Develop a more detailed and consistent data collection system in relation to migrant and refugee young people to gain a more accurate understanding of homelessness and housing stress amongst this group, and ensure they are responded to adequately.

Background

Victoria is home to a young and culturally diverse population. The recent 2021 Census shows that over half of all Victorians (52.2 per cent) have at least one parent born overseas and young people (aged 12 to 24 years) make up 15 per cent of our population. Almost half (48 per cent) of Victoria's youth population were either born overseas or have at least one parent born overseas, an increase of 4% from 2006, and one in four (26 per cent) speak a Language Other Than English at home.ⁱ

Access to safe and secure housing is a fundamental human right and is a building block for young people to live active, independent and fulfilling lives. Young people are finding it increasingly hard to access safe and secure housing, with deeply embedded systemic issues creating ongoing barriers. A key finding of the Victorian Legislative Council Social and Legal Issues Committee Final Report (2021) of the Inquiry into Homelessness in Victoria was that "Housing affordability is a key factor in homelessness in Victoria."ⁱⁱ This inquiry also found that CALD communities and young people are identified "cohorts at risk of, or experiencing, homelessness".ⁱⁱⁱ

Homeless and marginally housed

In 2021, 23.0% of all people experiencing homelessness in Australia were aged from 12 to 24 years. The number of young people experiencing homelessness had increased by 15 per cent from 2021. More than one in four young Australians experiencing homelessness were living in Victoria (27 per cent or 7,628 people).^{iv}

More than three quarters (77 per cent) of young Victorians experiencing homelessness or marginal housing in 2021 were born overseas or had at least one parent born overseas – almost half (49 per cent or 2,935 people) of the homeless youth population were born overseas.^v

The rate (per 10,000) of young people born in Australia experiencing homelessness and marginal housing has increased since 2016. But 2021 rates for young people born overseas (316 per 10,000) and those with one or more parent born overseas (119 per 10,000) remain higher than for those born in Australia with both parents born in Australia (57 per 10,000).

Half (50.7 per cent) of Victoria's youth population who were estimated to be homeless or marginally housed in 2021 reported speaking a main language other than English at home.^{vi}

Cost of living and rental affordability

Housing stress is now the fastest growing cause of homelessness, with 9.2 per cent more people needing homelessness support because of financial stress or housing crisis in 2021-22.^{vii} Cost of living pressures are placing an incredible burden on low income households with renter households more likely than mortgagors to experience financial stress.^{viii}

Housing stress is being disproportionately borne by young Victorians who are more likely to be renting, move more often and have lower incomes and lower wealth than the wider population.^{ix}

- Among the 31.7 per cent (or 297,979) young people renting across Victoria in 2021, three quarters (74.9 per cent or 223,085) were engaged in a rental through a real estate agent, 6 per cent (or 17,946) were renting through the State housing authority and 1.2 per cent (or 3536) through a community housing provider.^x
- Around one third of young renters in Victoria are living in households where rent payments are more than 30% of household income.^{xi}

- Homelessness Australia report that youth support incomes have increased by 10 per cent over the past two years, while rents have soared by 24 per cent on average.^{xii}
- The number of young people aged 12 to 24 years living at home increased from 74 per cent in 2016 to 80.4 per cent 2021.^{xiii}

With increasing cost of living pressures and worsening housing affordability there is a secondary group facing cost of living stress who are already stepping into homelessness or on the verge of it. These are young people who have previously been protected from housing insecurity, but who may be more vulnerable to experiencing multiple and intersecting factors associated with housing insecurity and homelessness.

Young people from refugee and migrant backgrounds are one particular group within Victoria's youth population more exposed to housing stress in this current climate.

- A higher proportion of young people born overseas were renting (50.4 per cent), compared with those born in Australia with at least one parent born overseas (25.1 per cent) and those born in Australia with both parents born in Australia (27.7 per cent).^{xiv}
- Almost one in ten (9.7 per cent) young renters born in Australia with at least one parent born overseas were renting through the State housing authority, compared to 6.7 per cent of young people born in Australia with both parents born in Australia and 2.6 per cent of young people born overseas.^{xv}
- More than one in five (21.1 per cent or 39,905) young Victorians born overseas were living in a house identified as over utilised compared with around one in ten of those born in Australia with at least one parent born overseas (12.1 per cent) and those born in Australia with both parents born in Australia (6.5 per cent).^{xvi}
- Young people born overseas were more likely to be living on lower family incomes (around one in five or 19.1 per cent) compared to young people born in Australia with one or more parent born overseas (one in six or 14.0 per cent) and those born in Australia with both parents born in Australia (around one in ten or 11.4 per cent).^{xvii}
- Young people born overseas (34.0 per cent) and those born in Australia with one or more parent born overseas (33.3 per cent) were more likely than young people born in Australia with both parents born in Australia (29.3 per cent) to be living in households where rent payments are more than 30% of household income.^{xviii}
- The percentage of young Victorian's living at home with their parents increased across all generational cohorts from 2016 to 2021. The greatest increase was among young people born overseas (from 41 per to 62.9 per cent), followed by those born in Australia with at least one parent born overseas (from 84 per cent to 88.4 per cent) and those born in Australia with both parents born in Australia (from 80 per cent to 83.1 per cent).^{xix}

Data gaps, 'hidden' populations and underreporting

An additional concern for consideration of the Committee is the extent to which the housing crisis facing multicultural young people is likely being underreported. This has implications for understanding the nature and extent of the issue, including effective responses, and is due to a scarcity of data available in Victoria on the extent of homelessness and housing stress amongst young people from migrant and refugee backgrounds driven by:

- a lack of consistent data collection across housing and related support services with regards to the cultural and linguistic backgrounds of young people presenting with homelessness issues.

- the underutilisation of mainstream housing/homelessness services by young people from refugee and migrant backgrounds and their families.
- a tendency for multicultural young people to seek informal housing options, such as ‘couch surfing’ between extended family and friends’.
- widespread overcrowding within refugee and migrant communities, with many families attempting to accommodate one another to fill the housing gap.^{xx}

In the Victorian Parliament’s Inquiry into Homelessness in Victoria Final Report (2021), the Legislative Council Legal and Social Issues Committee (the Committee) acknowledged that young people are not always adequately captured in data.^{xxi} In relation to this concern, the Committee drew on evidence provided by CMY and other organisations to identify the high prevalence of overcrowding within multicultural communities that remains ‘hidden’.^{xxii} Along with identifying this, the Committee also reported that “young people from CALD backgrounds are a cohort that are over-represented in the statistics for homelessness amongst young people.”^{xxiii} The Committee did not, however, make specific recommendations for addressing the underlying factors contributing to this or for measures to better understand and respond to the particular needs of young people from refugee and migrant backgrounds.

Young people from migrant and refugee backgrounds

Overrepresentation of young people from migrant and refugee communities in homelessness and marginal housing is related to a number of intersecting factors this group of young Victorians may face as a result of their migration and/or settlement experience, including:

- The refugee experience – such as separation from families and significant others; potential of trauma; a history unsafe and insecure housing
- Family breakdown – due to disrupted, separated and reconfigured families; and intergenerational conflict (exacerbated by different rates of acculturation)
- Loss of extended familial and social networks due to refugee or migration experience, resulting in fewer ‘back up’ options in terms of accommodation
- Experiences of overcrowded accommodation – resulting from financial stress, and larger and/or reconfigured families (including young people in the care of relatives such as aunts/uncles or grandparents)
- Unfamiliarity and/or lack of trust with the service system in Australia
- Low socio-economic status and experiences of poverty, common amongst communities from refugee and migrant backgrounds who often struggle to find employment in the Australian context – resulting in private rental being inaccessible
- Lack of housing options that can accommodate larger families (which can be common amongst certain migrant/refugee communities), leading to overcrowding and adolescents often being ‘squeezed out’
- Lack of private rental history, often required by real estate agents, including facing racism and discrimination in the private rental market.^{xxiv}

TOR 4. The adequacy of the rental system and its enforcement

A housing system that is unable to adequately and appropriately meet the needs of young people and those from refugee and migrant backgrounds

The housing system, including the housing and homelessness support and service systems and the private and social housing markets, were already unable to meet the needs of all young Victorians prior to the current affordability crisis – the situation for many has now worsened.

In 2020, CMY reported the following:

“The housing service system is in crisis and is unable to meet the housing needs of young people and families. The private rental market is competitive and unaffordable for low income earners; the public housing system is falling drastically short of demand, ... and, emergency and transitional housing options are extremely difficult to obtain, and are in many cases, inappropriate or unsafe for young people – particularly young women from migrant and refugee backgrounds.”^{xxv}

What we reported then, and continue to see today, is that “once a young person or family is homeless, it is increasingly difficult to find a secure, sustainable housing outcome. Accessing appropriate housing options for young people and families in crisis is more challenging than ever, given the scarcity of suitable and affordable accommodation available. The housing service system is at breaking point, with many vulnerable young people and/or families being turned away due to there simply being no housing options available.”^{xxvi}

Another persisting concern is the number of young people being referred to our services who are already in crisis. In 2020, we reported that:

“Through CMYs Reconnect program, we have seen a shift in terms of higher numbers of young people referred at the ‘crisis’ end of the service system. Given the demand and urgency of the need, the program is being pushed into working with those already experiencing homelessness and family breakdown, rather than the early intervention work that prevents homelessness. This overall shift was also highlighted in a 2013 review of the Reconnect program more broadly.”^{xxvii}

On this we again reiterate the concerns raised in our previous reports that current support systems are failing to intervene early enough, and when they do that the housing market (public and private) is unable to meet needs, resulting in young people from refugee and migrant backgrounds ending up homeless or in unsafe and insecure housing.

Added pressures are limiting young renters’ self-advocacy

One aim of the 2021 Reforms to the Residential Tenancies Act was to make renting fairer and address issues of power imbalance between renters and rental providers.^{xxviii} Constraints of the current rental market, including competitiveness and widespread reports of discrimination, mean renters are not able to assert their rights and benefit from these reforms.^{xxix} Based on anecdotal evidence, and previous reports we have undertaken in the areas of racism, discrimination and social exclusion^{xxx}, we believe this experience is likely exacerbated for many multicultural young people who can face multiple and intersecting forms of discrimination based on their age, as well as race, culture, religion or migrant status.

Increasing concerns for the mental health of young Victorians

Research has demonstrated a high prevalence of mental health conditions among homeless youth.^{xxxi} Given the increased rates of poor mental health and wellbeing reported among young Australians during and following the COVID-19 pandemic there is an urgent need for greater collaboration between housing and

homelessness services and the mental health system, including as part of Victoria's current mental health and wellbeing reform process.

Young people from refugee and migrant backgrounds faced additional risk of mental health deterioration during the COVID-19 crisis due to the intersection of many developmental, social, cultural, and psychological factors including: stigma, limited English language, lack of information about mental illness and mental health services in appropriate and accessible formats, lack of culturally responsive services, and the compounding of pre-existing trauma. These barriers also mean they are underrepresented in mainstream youth mental health services data, despite evidence suggesting that they experience much higher levels of psychological stress than the general Australian youth population.^{xxxii}

As the example below highlights, there is a strong need to work holistically with families and young people if we want to promote and support positive mental health and wellbeing, this includes addressing stressors such as housing insecurity.

"We see young people where their stress is due to their parents' stress. We knew a young man who was trying to hurt himself at school. His parents had been kicked out of their home and it was very stressful for them. Now the housing is sorted, he's happy as, he's going great. Those things are stable now, housing, dad's work – now he can just worry about school." – multicultural youth worker^{xxxiii}

TOR 3. The adequacy of regulation with regards to standards and conditions of rental housing / TOR 5. The impact of short-stay accommodation

Conditions and safety in short term accommodation

Based on the anecdotal reports of our workers, CMY are concerned about the adequacy of regulation with regards to standards, including safety, and conditions of rooming houses. In particular we heard about poor conditions and cleanliness in many rooming houses that are repeatedly utilised as short-stay accommodation options for young people because of a lack of alternative options.

In our 2020 submission CMY made reference to the lack of appropriate, safe housing options (short and longer term, public and private) for young people from refugee and migrant backgrounds. Specifically, we raised our concerns about the safety and appropriateness of rooming houses and mixed gender refuges for young women.^{xxxiv} To date these concerns have not been addressed, this gap in short term accommodation options for young women can result in their retuning to unsafe living environments and being deprioritised by housing services, leading to long-term insecure, unsafe housing and homelessness and related issues.

TOR. 2 Options to address insecurity, availability and facing Victorian renters

Recommendations

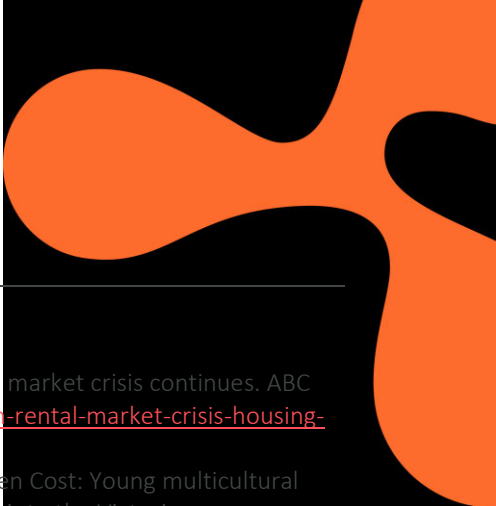
The above evidence supports concerns that a lack of safe and secure housing options, and risk of homelessness, is increasing and becoming more entrenched for young people and families from migrant and refugee backgrounds.^{xxxv} It is critical that solutions are informed by and target young people and the diversity of cultural backgrounds, languages and faiths that they identify with. Solutions must be outcomes-focused and include more investment in affordable housing, prevention and early intervention programs, and wraparound crisis support.

We recommend the Committee call on the Victorian Government to:

- Develop and implement a Victorian Youth Homelessness Strategy with a youth housing guarantee that ensures all young people have access to safe and secure housing.^{xxxvi}
- Ensure all new affordable housing stock – emergency, transitional, social and public housing – includes dedicated properties for young people and properties that meets the needs of a variety of family sizes and configurations.
- Review and strengthen regulations and schemes that aim to ensure private rental is affordable and accessible to those on lower incomes in Victoria, and to address discrimination on the basis of race, age, family size and a lack of rental history.
- Acknowledge the specific vulnerability of young people from migrant and refugee backgrounds with regards to homelessness and housing stress, and ensure all government-led strategies respond to this cohort.
- Resource gender-specific emergency and transitional accommodation options for young women, creating safe and culturally appropriate housing options.
- Invest in strengthening the cultural responsiveness of the housing service system on all levels to meet the cultural diversity of the Victorian community.
- Increase early intervention and support to families and young people from refugee and backgrounds to prevent the escalation of complex issues. This includes those who are often ineligible for settlement or generalist services – for instance, orphan visa holders (117), remaining relative visa holders (115), those on spouse visas (and their children), and those on Special Category (444) visas from New Zealand.
- Work with the Commonwealth Government to develop a more detailed and consistent data collection system in relation to migrant and refugee young people, and ensure consistency of data collection across all housing and housing-related services – to gain a more accurate understanding of homelessness and housing stress amongst this group, and ensure they are responded to adequately.^{xxxvii}

Endnotes

- ⁱ Centre for Multicultural Youth (CMY). (forthcoming, 2023). A Young and Multicultural Victoria: The 2021 Census. CMY, Melbourne.
- ⁱⁱ Key finding #12 of Parliament of Victoria. (2021). Inquiry into homelessness in Victoria: Final Report, Legislative Council Legal and Social Issues Committee. Available at <https://new.parliament.vic.gov.au/49ef67/contentassets/0c6d61c7d86d4971bf50c2573cb534b2/inquiry-into-homelessness-in-victoria---final-report.pdf>
- ⁱⁱⁱ Ibid, p. 74
- ^{iv} Australian Bureau of Statistics (ABS). (2023). Estimating Homelessness: Census. Available at <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>
- ^v CMY. (forthcoming, 2023).
- ^{vi} CMY. (forthcoming, 2023).
- ^{vii} Homelessness Australia. (2023). Pre-budget submission 2023-24 (February 2023). Available at <https://homelessnessaustralia.org.au/wp-content/uploads/2023/01/HA-Budget-Submission.pdf>, p. 4
- ^{viii} Agarwal, N., Gao, R., & Garner, M. (2023). Renters, Rent Inflation and Renter Stress. Reserve Bank of Australia Bulletin (March 2023). Available at <https://www.rba.gov.au/publications/bulletin/2023/mar/renters-rent-inflation-and-renter-stress.html>
- ^{ix} Youth Affairs Council Victoria (YACVIC). 2023. Victoria's rental crisis and young people (June 2023). Available at <https://www.yacvic.org.au/advocacy/rental-crisis/>
- ^x CMY. (forthcoming, 2023).
- ^{xi} ABS. (2023). 2021 Census - counting persons, estimating homelessness, Tablebuilder. Available at <https://tablebuilder.abs.gov.au/>. This data reports on the Rent Affordability (RAID) variable by age (AGEP), country of birth of parents (BPLP) and country of birth of person (BPPP).
- ^{xii} Homelessness Australia cited in Sekulich, H. (2023). Homelessness Australia calls for increased support for young people in federal budget, ABC News (19 April 2023). Available at <https://www.abc.net.au/news/2023-04-19/the-cost-of-being-young-rents-surg-ing-but-income-support-static/102239160>
- ^{xiii} See Budinski, Qu & Baxter. (2023). 'Young people living with parents', *Australian Institute of Family Studies*. Available at <https://aifs.gov.au/research/facts-and-figures/young-people-living-parents> and CMY. (forthcoming, 2023).
- ^{xiv} CMY. (forthcoming, 2023).
- ^{xv} Ibid.
- ^{xvi} Ibid.
- ^{xvii} Ibid.
- ^{xviii} ABS. (2023). 2021 Census - counting persons, estimating homelessness.
- ^{xix} CMY. (forthcoming 2023).
- ^{xx} Parliament of Victoria. (2021)., p. 54
- ^{xxi} Ibid., pp. 52-53
- ^{xxii} Ibid, pp. 53-54
- ^{xxiii} Ibid., p. 54
- ^{xxiv} CMY. (2011). Finding Home in Victoria. Available at <https://www.cmy.net.au/resource/finding-home-in-victoria/>: CMY. (2020). Submission to the Legal and Social Issues Committee's inquiry into the state of homelessness in Victoria (March 2020). Available at [Victorian Parliament website](https://www.parliament.vic.gov.au/victorian-parliament-website)
- ^{xxv} CMY. (2020)., p. 1
- ^{xxvi} Ibid.
- ^{xxvii} Ibid. citing Department of Families, Housing, Community Services and Indigenous Affairs. (2013). Reconnect Departmental Review, Retrieved 20 December 2019 https://www.dss.gov.au/sites/default/files/documents/02_2013/dept_review_of_the_reconnect_program.pdf



^{xxviii} Consumer Affairs Victoria. (2021). 2021 Victorian rental laws change. Available at <https://www.consumer.vic.gov.au/rentrules>

^{xxix} Yu, A. (2023). Melbourne renters struggle to secure a suitable place to live as a rental market crisis continues. ABC News (12 March 2023). Available at <https://www.abc.net.au/news/2023-03-12/victorian-rental-market-crisis-housing-shortage-tenants-victoria/102084206>

^{xxx} See for example, Doery, K., Guerra, G., Kenny, E., Harriott, L. & Priest, N. (2020). Hidden Cost: Young multicultural Victorians and COVID-19. Melbourne, Victoria: CMY; CMY. (2020). Submission to Inquiry into the Victorian Government's response to the COVID-19 pandemic. Available at

https://www.parliament.vic.gov.au/images/stories/committees/paec/COVID-19_Inquiry/Submissions/52a_Centre_for_Multicultural_Youth.pdf; CMY. (2019). Submission to Inquiry into Anti-vilification Protections. Available at https://new.parliament.vic.gov.au/49ef75/contentassets/1a3737e03a2b4199bf65e7aeafddd210/submission-documents/014_2019.12.19---cmy-centre-for-multicultural-youth_published.pdf

^{xxxi} <https://assets.csi.edu.au/assets/research/The-Cost-of-Youth-Homelessness-in-Australia-Snapshot-1.pdf>, p. 4

^{xxxii} MYAN Australia & CMY. (2020). Submission to the Select Committee on COVID-19 Inquiry into the Government's response to COVID-19. Available at <https://myan.org.au/wp-content/uploads/2020/07/2020-cmy-and-myan-submission-to-the-select-committee-on-covid-19-inquiry-2020.pdf>

^{xxxiii} CMY. (2019). Submission to Royal Commission into Victoria's Mental Health System. Available at <http://rcvmhs.archive.royalcommission.vic.gov.au/CMY.pdf>, p. 24

^{xxxiv} Couch, J. (2017), 'Neither here nor there': Refugee young people and homelessness in Australia, *Children and Youth Services Review* (74): 4, cited in CMY. (2020).

^{xxxv} CMY. (2020).

^{xxxvi} CMY support YACVIC and others in their calls for a Victorian Youth Homelessness Strategy. See Youth Affairs Council Victoria (YACVIC). 2023. Victoria's rental crisis and young people (June 2023). Available at <https://www.yacvic.org.au/advocacy/rental-crisis/>

^{xxxvii} Recommendations 2-7 are adapted from CMY's submission to the inquiry into the state of homelessness in Victoria. See CMY. (2011). Finding Home in Victoria. Available at <https://www.cmy.net.au/resource/finding-home-in-victoria/>; CMY. (2020). Submission to the Legal and Social Issues Committee's inquiry into the state of homelessness in Victoria (March 2020). Available at [Victorian Parliament website](https://www.victorianparliament.com.au)