malleefamilycare

Social Housing Inquiry

Submission

Senate Economics References Committee
September 2026

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Executive summary

Mallee Family Care welcomes the Committee's inquiry into social housing. We write as a regional provider working at every stage of the housing pathway, helping renters keep their tenancies, supporting people who have lost their housing, and preparing to become a social housing provider in our own right. Our perspective is that of an organisation that sees the consequences of housing shortfall in its caseload every week, in a catchment where the private rental market offers almost nothing to a household on income support and where social housing supply has never matched need.

Social housing has not kept pace with that need. Its share of Australian households has fallen from 4.7 to 4.0 per cent since 2013, more than 254,000 households are waiting for a home, and the shortfall is projected to widen without a sustained increase in supply. Those national figures describe a system that has been contracting relative to population for three decades.

In the Mallee, the effect is compounded by conditions particular to thin regional markets. There is little rental stock to absorb pressure, few providers to choose between, and no capacity to place people elsewhere in the region when a tenancy fails. Housing instability therefore arrives entangled with poverty, family stress, family violence and mental ill-health, and it falls hardest on young people, older people, Aboriginal people and low-income families. The downstream cost is carried by child protection, health, justice and education systems that spend considerably more than the housing would have.

Recent Commonwealth and Victorian commitments are substantial, and we acknowledge them. But delivery lags commitment, and the investment architecture through which that money moves is built for scale. Competitive rounds reward development pipelines, balance sheets and in-house capital teams. Regional projects are assessed against metropolitan cost per dwelling despite carrying the real costs of small scale, scarce labour and distance from suppliers. Capital and operating funding sit with different governments on different timetables, leaving the applicant to carry the risk that one arrives without the other. Regional communities, where need per capita is high and the local not-for-profit is often the only organisation able to hold an asset, are left behind by each of these settings in turn.

The proposed Mildura Education First Youth Foyer shows both the opportunity and the problem. It is a proven model, evaluated over more than a decade and endorsed in national policy since 2008, and the project is signed, sited, designed and independently costed. Every test a government ordinarily sets for a proposal has been met. Yet it has no clear funding pathway, because no instrument funds a Foyer and no agency is responsible for assembling one. That is not a failure of any single program. It is a gap at the point where Commonwealth programs, state programs and community service providers are supposed to meet, and it is a gap that other regional proposals will strike in the same way.

The recommendations that follow are directed at that gap. They ask the Commonwealth to anchor growth to need through a national target, to stop regional projects being priced out by metropolitan comparison, to join capital and operating funding together, to create a single entry point for proposals that cross portfolio boundaries, and to open a pathway for youth housing in regional Australia. Taken together, they are less a request for new money than for a different route for the money already committed.

Recommendations

1. Adopt a national target for social housing as a share of total housing stock, informed by published forecasts of need reviewed annually and with a regional component, so that growth follows need rather than delivery capacity.

Term of reference 3

2. Establish a dedicated regional stream, or an explicit regional weighting, within the Housing Australia Future Fund and successor programs, so that small-scale projects in high-need regional markets are not assessed against metropolitan cost per dwelling.

Terms of reference 4 and 7

3. Pair capital investment in social housing with a guaranteed, indexed operating subsidy for the life of the asset, and model regional viability explicitly in the Supporting Youth into Community Housing guidelines.

Terms of reference 4 and 7

4. Invest in youth-specific social housing in regional Australia, including a dedicated funding pathway for Education First Youth Foyers at regional priority sites identified as investment-ready.

Terms of reference 4 and 7

5. Create a single Commonwealth entry point for social housing projects that span the housing, homelessness and education portfolios, with government rather than applicants responsible for coordinating Commonwealth and state funding.

Term of reference 8

6. Work with states and territories to make community housing registration proportionate for small regional providers holding few assets, and apply equivalent regulatory standards to public and community housing providers.

Term of reference 8

7. Require Commonwealth-funded social housing to meet climate resilience and thermal performance standards suited to local conditions, including extreme heat in inland regional areas.

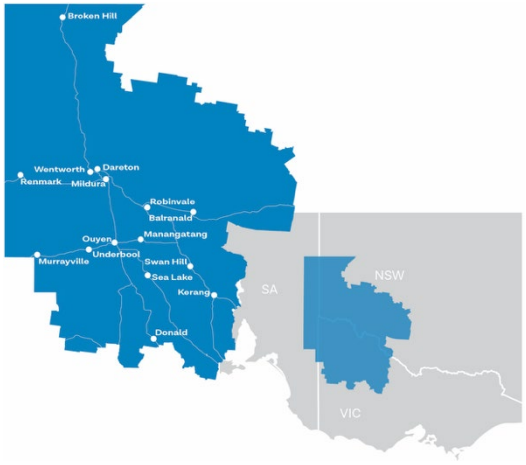
Term of reference 5

8. Recognise tenancy advocacy and renter support as part of the social housing system, and use the National Agreement on Social Housing and Homelessness to secure indexed, long-term funding for it.

Terms of reference 1 and 10

About Mallee Family Care

Mallee Family Care (MFC) is a place-based community service organisation that has served the Mallee region for 47 years. With more than 300 staff delivering over 70 programs, MFC works across a cross-border catchment of more than 165,000 square kilometres spanning North West Victoria, Far West New South Wales and the Riverland in South Australia.



Offices and outreach services operate across the Mildura, Swan Hill, Gannawarra and Buloke local government areas in Victoria, Balranald, Wentworth and Broken Hill in New South Wales, and the Riverland in South Australia.

MFC's services span early intervention, family support, mental health, disability, family violence, financial counselling, legal services, and housing, tenancy and homelessness support. Most relevant to this inquiry are those operating at each stage of a household's housing pathway.

Tenancy advocacy and renter support

On behalf of Consumer Affairs Victoria, MFC delivers the Tenancy Assistance and Advocacy Program, helping renters negotiate with rental providers on repairs, arrears, rent increases and lease issues, and representing them at the Victorian Civil and Administrative Tribunal. Our Rental Stress Support Program delivers renters' rights education across the northern and southern Mallee. From 1 January 2027, Mallee Family Care will be the sole provider of the new Renter Rights Service for the Buloke, Gannawarra, Mildura and Swan Hill local government areas, a five-year appointment under the Victorian Renter Rights Program.

Homelessness support

Specialist homelessness services support people who are homeless or at risk of homelessness with case management, advocacy and connection to housing, working alongside our tenancy, financial counselling, legal and family violence teams.

Financial counselling, legal and family services

Free, confidential financial counselling is available to people in financial difficulty, including renters in arrears. The Mallee Family Care Community Legal Centre, nationally accredited through Community Legal Centres Australia, provides free legal advice, casework and community legal education. Our Family and Relationship Services program works to prevent family breakdown, a common trigger of housing crisis and often the point at which housing risk first becomes visible.

Social housing

As lead partner in the proposed Mildura Education First Youth Foyer, MFC is also progressing registration as a Community Housing Provider.

The national picture

Commonwealth investment in social housing has declined over three decades, and stock has not kept pace with need. Social housing households fell from 4.7 per cent of all Australian

households in 2013 to 4.0 per cent in 2025, with stock of around 452,000 dwellings unchanged on the previous year.[1] More than 254,000 households are on social housing waiting lists, including 122,457 in greatest need, up 12 per cent.[2] An estimated 640,000 households have unmet housing need, rising to almost 940,000 by 2041, and meeting it would take an average of 47,000 new social and affordable homes a year for two decades.[3]

Those national figures are the backdrop to this submission. The balance of what follows is what they look like in one regional community, and what they mean for a project that is ready to build.

The Mallee experience

Our experience in the Mallee demonstrates how national housing challenges are intensified by regional factors, including extreme weather conditions and limited housing stock.

In recent years, we have seen a rise in notices to vacate, driven by rent arrears and property sales as rental providers respond to rising mortgage rates. Relationship breakdowns, exacerbated by the high cost of living and a lack of available housing, are forcing more people to live under one roof, heightening the risk of family violence and homelessness. This is compounded by inadequate access to mental health services in the region.

MFC has supported clients facing extreme financial stress, including a long-term client whose deteriorating mental health was linked to unstable housing and unaffordable rent. Others endure substandard living conditions, such as black mould, for fear of eviction if they report maintenance issues.

Already marginalised and vulnerable groups are particularly affected, including older people, Aboriginal people, people leaving prison, people with disability and people on low incomes. Anglicare Victoria's 2026 Rental Affordability Snapshot found that just 3 per cent of rentals in regional Victoria were affordable for any household type on income support.[4] We are also increasingly seeing families in which the parents have stable employment at risk of homelessness, because there is no affordable housing available.

In the Mallee, poverty, housing instability, family stress, mental ill-health and financial hardship do not present in isolation. They compound one another. Without secure housing, family preservation, early intervention and school engagement all carry avoidable failure rates, and the cost lands in child protection, health, justice and education systems that cost far more than the housing would have.

The Mildura Education First Youth Foyer

The Mildura Education First Youth Foyer is the clearest example we can offer the Committee of what social housing investment can deliver in a regional community, and of what currently stands in its way. In partnership with SuniTAFE and the Brotherhood of St Laurence, MFC has developed a proposal to house and support up to 40 young people aged 16 to 24 who are homeless or at risk of homelessness, for up to two years. Residents commit to study, training or work in return for their home. They are supported by on-site staff around the clock and an embedded TAFE teacher. The Foyer would also create nine ongoing full-time equivalent jobs in Mildura.

The need

Young people are among the most exposed to housing insecurity. In 2024–25, specialist homelessness services assisted around 40,500 children and young people aged 12 to 24 who sought support on their own, the highest rate of any client group at 91 per 10,000, and 72 per cent of them were not enrolled in any education or training.[5]

At the 2021 Census, 518 people in Mildura were homeless, up from 264 in 2016, and 192 of them were under 24, up from 104.[6] Mildura has no youth refuge beds. A young person who needs somewhere safe tonight is offered a motel or caravan park, or relocation to Melbourne, more than 500 kilometres from home. The Foyer Foundation has identified Mildura as one of a small number of national priority sites for an investment-ready Foyer.[7] Victoria has already backed regional Education First Youth Foyers at Shepparton, Wodonga and Wangaratta. There is no Foyer in the Mallee.

The evidence

Since the Victorian Government invested in the Education First Youth Foyer model at Glen Waverley in 2013, the model has supported more than 1,129 young Victorians experiencing or at risk of homelessness across four operating sites. Evaluation of the model has found the following outcomes.

93%	of young people leaving an EFY Foyer move into a secure housing outcome, most into private rental or share housing in their local community
89%	are engaged in education, employment, or both, when they complete the program
7% to 51%	increase in the share of participants living independently, from entry to one year after exit
85%	are in work or study in the year after leaving
42% to 75%	increase in Year 12 or Certificate III completion
1.9	benefit–cost ratio, with the model delivering materially greater net benefits than transitional housing over 20 years

Sources: outcomes data provided by the Brotherhood of St Laurence[8]; longitudinal evaluation of the Education First Youth Foyer model, 2019[9]; economic evaluation, 2019.[10]

The economic evaluation found that avoided housing support was the largest single benefit of the model. The Victorian Government already waives vocational training fees for Foyer residents through its Youth Access Initiative, and the SuniTAFE Mildura campus sits within walking distance of La Trobe University, so a resident could move from the Foyer into a TAFE certificate and on to a degree without leaving town.

Governments have endorsed the model for nearly two decades. *The Road Home*, the Commonwealth's 2008 homelessness white paper, identified Foyers as specialist housing that ties stable accommodation to education, training and employment.[11] The National Youth Commission proposed funding Foyers the same year, and the 2019 National Report Card on Youth Homelessness again called on governments to invest in youth housing linked to education, training and employment.[12] That endorsement has never been matched by a dedicated funding pathway.

The project is ready

A three-way partnership agreement is signed between Mallee Family Care, the Sunraysia Institute of TAFE and the Brotherhood of St Laurence, which developed the model and will train

staff and safeguard its fidelity. The site is secured on the SuniTAFE Mildura campus under a peppercorn lease. Architectural concept documents are complete, and an independent quantity surveyor completed a cost plan for both capital and operating costs in September 2026. Mallee Family Care would own and operate the building and is progressing registration as a community housing provider to do so. Detailed costings are available to the Committee on request.

Where the system breaks down

What the project has not found is a single door. The funding that could support it is spread across Housing Australia, Homes Victoria, and the joint homelessness and education funding behind Victoria's existing Foyers. No instrument funds a Foyer, no agency is responsible for assembling the pieces, and there is no cross-portfolio contact to align them.

The partners have carried that coordination themselves, from program mapping to design, costing and partnership negotiation, before any housing investment has been committed. Larger providers absorb that work in a development team. Regional organisations absorb it from service delivery, or do not attempt it at all. This is the nexus at which regional social housing proposals fail, and it sits between the Commonwealth, the states and the community service providers who are expected to deliver.

The Foyer is not an isolated case. Mallee Family Care acknowledges recent financial commitments by governments, including $7.7 billion from 2026–27 under the National Agreement on Social Housing and Homelessness, 21,350 homes under Housing Australia Future Fund Round 3, the Housing Australia Future Fund Crisis and Transitional stream and the Supporting Youth into Community Housing measure,[13] alongside Victoria's Social Housing Growth Fund expansion.[14] But delivery lags commitment. As at 30 April 2026, 284 crisis and transitional homes had been delivered since May 2022, against 1,770 in the program.[15] The gap is less about the quantum of funding than about how it reaches projects, and three reasons stand out.

Scale-weighted competition excludes regional projects. Competitive rounds reward development pipelines, balance sheets and in-house capital teams, which describes large metropolitan providers and almost no regional organisation. A single regional building cannot compete on cost per dwelling against a metropolitan development of several hundred homes.

Regional construction costs more. Regional projects carry the costs of small scale, scarce local labour and distance from suppliers. Those costs are real, but assessment frameworks do not flex to reflect them, so regional applicants are penalised twice, for being small and for being expensive.

Capital and operating funding are not joined up. A capital grant without a durable operating subsidy leaves a small provider with an asset it cannot afford to run, and an operating subsidy without capital builds nothing. The two sit with different governments on different timetables, and the applicant carries the risk that one arrives without the other.

Regional conditions should also shape what is built. The Mallee experiences extreme summer heat, and low-income households are the least able to afford to cool poorly performing homes. Whatever construction methods are used, Commonwealth-funded social housing should be built to thermal performance and climate resilience standards suited to local conditions.

Conclusion

Investment-ready regional projects exist. The Mildura Education First Youth Foyer reached readiness through the effort of three partners who carried the coordination themselves, from

program mapping through design and costing to partnership negotiation, before any housing investment had been committed. It reached readiness despite the investment architecture rather than through it.

That is the point we would most want the Committee to take from this submission. The obstacle in front of this project is not particular to it, and not the product of any single program failing. It is what any comparable proposal will meet if it is small, regional, and spans more than one portfolio. Larger providers absorb the coordinating work in a development team and can wait out the assessment cycles. Regional organisations fund it from service delivery, or never attempt it. On current settings, the projects most likely to be built are the ones in the places best equipped to build them, which is the opposite of what a needs-based system should produce.

A national target, a regional weighting, capital and operating funding joined together, and a single point of Commonwealth coordination would each narrow that gap. None of them turns on the quantum of funding. They turn on whether the money already committed can find its way to the communities where the need per capita is greatest.

Mallee Family Care welcomes further engagement with the Committee and would be pleased to provide additional information or to give evidence at a public hearing.

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