

**Youth Affairs Council Victoria (YACVic)
submission: Inquiry into the Supply of Housing in
Regional Victoria**

April 2025



Acknowledgement of Country



Our work takes place across Victoria. YACVic's head office is on the lands of the Wurundjeri people of the Kulin Nation in Naarm (Melbourne). YACVic also has offices on the lands of the Gunditjmara Nation in Warrnambool, and on the lands of the Wemba Wemba and Wadi Wadi Nations in Swan Hill. We pay our respects to Elders past and present for their wisdom, strength, support and leadership. Bunjil's lore states that those who walk on this land must care for Country and the waterways as well as care for the children and young people. We stand in solidarity to pay respect to the ongoing culture and continued history of all Aboriginal and Torres Strait Islander nations. Sovereignty was never ceded. This always was, and always will be, Aboriginal land.

About YACVic

Youth Affairs Council Victoria (YACVic) is the peak body and leading policy advocate for young people aged 12–25 and the youth sector in Victoria. Our vision is that young Victorians have their rights upheld and are valued as active participants in their communities. As a peak body, we work closely with young Victorians, and the sector that supports them, to deliver effective advocacy, events, training, resources and support – so that young people can live their best lives. We're driven by our valuable members and their vision for a positive future for young Victorians.

About YACVic Rural

YACVic Rural provides additional targeted advocacy for young people and services in rural and regional Victoria. We connect with young people, youth practitioners and the youth work sector to identify the unique needs and priorities of rural and regional young people. We respond through purpose driven place-based projects, programs and trainings, collective impact, sector support and policy input to accelerate positive change for young people.

This submission was informed by the lived and living experiences of six regional young Victorians. We thank them for their insights and contributions.



Contents

Introduction	5
Proximity and access to infrastructure.....	6
Access to affordable medium- and high- density housing.....	7
Internet access and digital connection.....	7
Sufficient financial support.....	7
Wraparound mental health support	8
Main Barriers and Issues for Young People Accessing Housing in Regional Victoria	9
Lack of affordable private housing.....	10
Insufficient income support for housing and accommodation.....	13
Lack of crisis accommodation and housing services	14
Solutions from Young People: What Can Help Speed Up and Secure Housing Supply?	15
Recommendation 1: Expand the availability of community and social housing targeted at young people, with a focus on models that integrate housing with education, employment, and mental health supports.....	16
Recommendation 2: Victorian Government must advocate for the Federal Government to raise income support payments, including Commonwealth Rent Assistance, to reflect the actual cost of renting in regional Victoria.....	17
Recommendation 3: Deliver a greater diversity of housing types—including studios, one-bedroom units, and shared living models—that reflect the varied needs of young people in different life stages	17
Recommendation 4: Prioritise investment in medium- and high-density housing developments in regional centres to maximise proximity to services and reduce urban sprawl	18
Recommendation 5: Mandate that all new housing developments in regional Victoria meet minimum climate resilience and energy efficiency standards, including integration of renewable energy systems.....	19
Recommendation 6: Implement transit-oriented development strategies in regional areas to ensure new housing is located near reliable public transport and active transport networks.....	19
Recommendation 7: Streamline planning and zoning processes to support the adaptive reuse of vacant commercial and industrial spaces for affordable residential housing.....	20



Recommendation 8: Introduce flexible zoning reforms that support the development of small homes, backyard dwellings, and low-cost builds to increase affordable housing options	21
Recommendation 9: Strengthen regulation of short-stay accommodation by introducing limits on rental days, increasing taxes for investor-owned short-stays, and requiring planning approval in high-demand areas	22
Recommendation 10: Support pathways from renting to home ownership by recognising long-term rental payment history as a form of creditworthiness in mortgage assessments	22
Recommendation 11: Invest in workforce development and increase incentives for tradespeople to address labour shortages and accelerate housing construction in regional areas	23
Recommendation 12: The Victorian Government must advocate for tax and ownership law reform, to discourage multi-property investment and prioritise owner-occupier access to housing in regional Victoria	23
Engaging Impacted Sectors and Communities: Why Lived Experience Must Shape Regional Housing Policy.....	24
Consulting Industries Impacted by Regional Housing Supply.....	25
Consulting local stakeholders	27
Conclusion.....	28
References	28



Introduction

YACVic welcomes the *Parliamentary Inquiry into the Supply of Homes in Regional Victoria* conducted by the Victorian Parliament's Environment and Planning Committee.

This submission focuses on the unique housing needs of young people in rural and regional Victoria. While regional housing supply is a critical issue across the population, young people face unique and compounding barriers, including limited income, insecure rental markets, inadequate transport infrastructure, and a lack of youth-appropriate housing options.(1) Without immediate and targeted intervention, the risk of housing stress, displacement, and social disconnection among young people will only grow, particularly those from already marginalised communities.(2)


Drawing on direct consultation with six young people (aged 12-25) from Warrnambool, Wodonga, Shepparton, and Swan Hill, this submission highlights the lived experiences of young people navigating regional housing systems. All participants were in private rentals or supported housing; none were homeowners.

Their insights underscore the need for youth-responsive housing policy that goes beyond addressing housing supply alone, focusing instead on the quality, affordability, accessibility, and location of homes. This includes building homes close to jobs and education, supporting community cohesion, and ensuring public transport and digital infrastructure are prioritised.

We urge the Committee to consider the specific needs of young people as part of any long-term regional housing strategy and to engage with young Victorians as equal partners in shaping solutions that will affect their futures. We also direct the Committee to previous YACVic submissions that may further inform an understanding of regional young Victorians and their housing needs, including:

- 2023: [Youth Affairs Council Victoria | Submission to the Parliamentary Inquiry into the rental and housing affordability crisis in Victoria](#)
- 2023: [Youth Affairs Council Victoria | Submission to the National Housing and Homelessness Plan](#)
- 2021: [Youth Affairs Council Victoria | Submission to the 10-Year Social and Affordable Housing Strategy](#)
- 2021: [Youth Affairs Council Victoria | Submission to the Parliamentary Inquiry into the Use of School Buses in Rural and Regional Victoria](#)
- 2019: [Youth Affairs Council Victoria | Beyond Access: How young people from rural and regional Victoria are struggling with mental health services](#)

We would welcome the opportunity to address the Committee directly along with a rural young person to further expand on this submission.



Young people living in rural and regional areas face a distinctive combination of barriers to accessing safe, affordable, and secure housing; challenges that are often exacerbated by geographic isolation, infrastructure gaps, and systemic underinvestment in youth-specific support.(3) Ensuring housing supply meets the needs of young people is not simply a matter of increasing stock; it requires strategic planning informed by the voices of young people, addressing the quality, location, and liveability of new housing developments.

For all young people, especially those who are studying, entering the workforce, seeking independence, or leaving unsafe home environments, housing that supports their development and wellbeing is foundational. However, their needs are too often overlooked in regional planning frameworks. In our consultation young people identified five key areas that must be addressed to make new housing supply more accessible, secure, and designed to meet the needs of young people in regional Victoria.

Proximity and access to infrastructure

Young people in rural and regional areas are disproportionately impacted by poor access to public transport and essential infrastructure such as healthcare, education, and employment hubs.(4) Unlike older adults or families, many young people do not have access to a car, hold a driver's licence, or have the financial means to afford private transport. This has detrimental flow on effect on regional young people's ability to access appropriate housing as often the only housing available to them is disconnected from public transport and essential services.(5) This further isolates young people living in regional and rural Victoria from opportunities and increases social and economic disadvantage.(5)

Participants in YACVic's consultation emphasised while metro-regional/rural transport connection is important, they want new housing builds to consider inter-regional and rural connection and improving local services. Below are a few key quotes from young people during this consultation that illustrate their view of the problem and potential solutions in this area:

"New developments are often far from services. Without public transport, young people struggle to access opportunities."

"Transit-oriented development regionally would massively help reduce car dependency and open up housing opportunities."

"For a lot of young people, especially after COVID, I noticed that a lot of people weren't able to get their license when they needed to because you couldn't even go driving. So like, for me, I didn't get my get my Ps till...how



old did I? Damn? 22 maybe. So, yeah, I definitely think it's important to look at making sure there is access to public transport.”

Access to affordable medium- and high- density housing

Young people often require housing that is smaller, more affordable, and located closer to town centres. However, regional development continues to prioritise low-density, detached housing on the urban fringe—dwellings that are often too large, unaffordable, and disconnected from key services, leaving young people with few options that suit their budget and lifestyle.(4) The following quote is from a young person based in Wodonga who raised this issue in our consultation:

“There's a varying need for different people in terms of housing, but I think in my area, in Wodonga, there's not a lot of, like, higher density housing, like they are developing a very luxurious apartment style, I think, in the middle of town, with prices listed really high. I just thought that was interesting, because, you know, this town's already so big, and we just keep going out, rather than kind of looking at up, which is what we need because up keeps us near all our services that already exist.”

Internet access and digital connection

In the digital age, access to reliable internet is not a luxury; it is essential for study, employment, access to health and government services, and social inclusion.(5) Many older rental properties in regional areas do not have adequate internet infrastructure, and tenants have little power to request upgrades.

Infrastructure for housing, such as access to reliable internet, is essential for young people who live regionally, and should be part of every new housing build. A participant in our consultation had experienced this when looking for appropriate housing in their area saying:

“A few older style rentals in my area don't have FTTN cables, so no internet connection is available, unless the landlord is willing to get an electrician to install one”

Sufficient financial support

Young people in rural and regional areas often face a triple burden: low wages, high housing costs, and limited income support. Many rely on Youth Allowance or JobSeeker while they study and look for work, which are indexed below the cost of



the poverty line.(6) Others are undertaking apprenticeships, traineeships, or part-time and casual work, which offer limited financial stability.

Currently, young people aged 12-24 represent 1 in 4 of Australia's population experiencing homelessness, and only 9% of social housing nationally is leased to young people.(7)

Without access to affordable, safe housing, these young people will become further entrenched in housing insecurity and homelessness.(7) While housing affordability in regional Victoria increased slightly from 2023-24 for households earning minimum wage, individuals on income support payments are still being priced out of rentals.(7)

Moving out of home or relocating for education or employment can incur high up-front costs, including bond, furniture, utilities, and travel. This additional financial burden combined with scarcity of affordable housing options has contributed to more young people remaining in their family home as a dependent.(8) These costs are rarely factored into current policy approaches to youth housing and can be substantially higher in regional Victoria than metropolitan areas. The below quotes are from regional young people who raised this issue during our consultation:

“Young people in regional/rural areas are likely to be on minimum wage, so may not be able to afford most rentals on the market.”


“There's a big cost of moving, and it's often not really recognised, especially as a rural, regional person, because most people live in and around Melbourne, Victoria.”

[Wraparound mental health support](#)

The relationship between housing security and mental health is well established.(9) For young people in regional areas, the lack of affordable, stable housing options can exacerbate mental health issues; especially when combined with social isolation, family breakdown, or trauma.(2) With the lack of affordable regional housing, the regional health sector workforce has been negatively impacted, resulting in longer wait times for services.

Consultation participants emphasised the importance of housing models that are not only affordable but also offer mental health and wraparound supports that help young people sustain tenancies and maintain wellbeing, with one participant observing:

“This housing crisis and mental health crisis goes hand in hand. I guess the main thing was that delay [in housing support] and how much it does



affect the people that are in need.”

Main Barriers and Issues for Young People Accessing Housing in Regional Victoria

Young people in regional Victoria are facing a housing landscape characterised by rising costs, limited stock, and systemic disadvantage. During our consultation, participants were provided with a non-exhaustive list of existing common barriers to accessing safe, secure, affordable housing, and asked to rank them according to which issues most impacted their housing situation.

Participants identified that these issues do not exist in isolation but interact in ways that disproportionately disadvantage young people's access to safe, secure housing, compounded by the shortage of supply of housing in regional areas. The planning of new housing builds must consider the specific needs of young people, especially those facing additional barriers for example those who are entering the rental market for the first time, are reliant on income support, or are unable to access adequate transport and support services.

The following barriers and issues were provided to young people:

- Not enough housing to keep up with population growth
- Not enough supportive infrastructure near housing (transport, services)
- Housing not up to standard for disaster affected areas
- Not enough security with rentals (insecure leases, not up to minimum standards)
- Insufficient income support for housing and accommodation (Centrelink)
- Impact of short-term accommodation (Airbnb)
- Protection of agricultural land
- Not enough affordable rentals (i.e. where rent accounts for less than 30% of income)
- Impact of climate change and disasters affecting building new housing
- Lack of crisis accommodation and housing support services

Participants were quick to identify housing as a 'wicked problem' with no one single cause and no simple solution, highlighting the urgent need not just for new housing but better solutions and protections for regional young people who rent, work and play in their local communities.

Below, we outline the key barriers identified by young people in regional communities as well as relevant supporting research.



Lack of affordable private housing

Affordable private rental options for young people in regional Victoria are critically scarce.(6) In the midst of a national cost of living and housing crisis, more Victorians are spending over 30% of their income on housing, resulting in housing stress.(10) Young people who are new to the private rental market are competing with an increasing number of families and workers relocating to regional areas.(5) In regional Victoria, 1- and 2- bedroom units are scarce, with 30% of dwellings having 4 or more bedrooms.(11)

The deficit of suitable housing for young people, who are more often looking as a single person, results in young people being forced to live in share houses, which is not suitable to every young person's situation, or live in housing stress to afford a smaller unit on their own. This was the direct experience of one of our consultation participants who said:

“As a young person with no rental history, my only option was share-housing, which was not a positive experience.”

Anglicare Victoria's 2025 Rental Affordability Snapshot Report (the Snapshot) found on average in regional Victoria, people earning \$40,000 per year spend between 53-65% of their net income on rent. This level of rent burden is well beyond the affordability benchmark of people spending 30% or less of their income on rent and indicates severe financial stress. The report showed the percentage of income that Victorians living in regional areas spend on rent only decreases to between 25-30% once they are making an income of \$100,000, meaning that rental affordability is only just reached at this income level.(6) The percentage of income people spend on rent decreases as incomes rise, but indicates that true affordability is not achieved until earnings exceed \$100,000 per year.(12)

Young people identified several systemic issues impacting the supply of affordable private rentals in regional Victoria, including:

Oversupply of short-stay rentals (e.g. Airbnb) in regional towns impacting availability of longer-term rentals

Short stay accommodation, such as Airbnb, is heavily concentrated in regional areas. The Victorian Government reports 17,400 properties, or 48% of Victorian short stay accommodation properties, are estimated to be located across regional Victoria, representing around 14% of the total rental stock. (13)

Initiatives such as the introduction of the Short Stay Levy Bill has had some effect on the increase in private rentals available on the market, as landlords are incentivised to introduce longer rental agreements. However, with an estimate of



around 23,000 Victorian short stay accommodation properties (64%) being rented for 90 nights or less per year, (13) participants in our consultation say there are still too many homes in regional communities which could be leased to private renters but are lying vacant for extended periods of the year.

One young participant shared the impact short-stay rentals have had in their home region of Wodonga:

“People own properties to rent them out on Airbnb, and you're looking at a home that someone could live in full time, but [owners] can make a bit more money from doing only individual night or day rates, whatever they choose. So if there's some kind of way to de incentivise that we need it, because if [owners] end up looking at that and go, ‘Well, just actually renting this out like a normal home for a normal person or family or whoever to live in, could they be better off?’ Then, yeah, that's a good thing. Because even in Wodonga, there's so many Airbnbs in town. I'm like, why? Who needs to stay in Wodonga on a Wednesday night with four bedrooms? I think someone could probably live there.”

Extremely high rental prices unaffordable for young people in a competitive market

With demand for regional housing increasing—particularly due to population shifts since 2020—the supply of private rentals has not kept pace.⁽⁵⁾ This has created a competitive rental market where young people often find themselves overlooked in favour of older applicants or families.

The Snapshot report showed while 100% of the properties listed for rent in these areas were deemed affordable for at least one household type receiving income support, the incredibly low number of listings renders this statistic meaningless.⁽⁶⁾ Three of the 48 LGAs in regional Victoria did not have any properties listed for rent on the Snapshot weekend.⁽⁶⁾

On the Snapshot weekend, there were no affordable properties available for a person on Youth Allowance or Disability Support Pension. ⁽⁶⁾

Young people in our consultation reported this as a significant barrier as new renters when competing with families or those with longer renting history. They highlighted bias against young people applying for housing on their own or with peers saying:



“Affordable properties are highly sought after. Even if you find one, you are unlikely to be accepted.”

One participant spoke to the need for better regulations of the rental market, noting that recent legislation restricts real estate agents from encouraging higher bids, but rental applicants are not discouraged from offering more to secure accommodation in a highly competitive market, placing young people in housing stress.

“It's very easy to get overlooked when property managers are looking at selecting tenants and such. It was right before Victoria changed the law regarding rental bidding, but we actually offered, like, maybe \$30 to \$50 a week more for this house than its listed price. I think that's probably the only reason that we got it, because it's like, a tiny two-bedroom unit and everything's falling apart.”

Restrictive zoning issues preventing upgrades and expansions on properties

One participant, who had experience living in public housing managed by DFFH, spoke to the barrier of restrictive land development legislation and housing regulations, which prevented them from utilising their backyard for a caravan to provide accommodation for his six siblings:

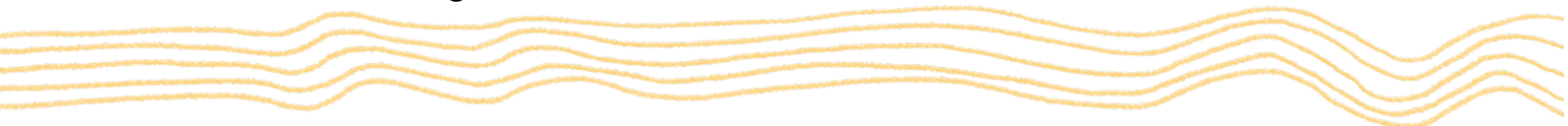
“Zoning is an issue, like the options that we have for the development that either further infill development, which, sure, there'll be places where there's spare plots and we can just build something there, or people have got large backyards, and there's actually a decent amount of land, but, like often, there's limits imposed by councils of how many, how high you would go, or what can be built there. And then the process for trying to make an application to change that is quite costly.”

Participants highlighted there are many community members with larger properties who could expand with smaller backyard properties, but high costs and complex application processes are a prohibitive barrier to many locals.

Lack of affordable social and community housing available and long waiting lists

In Australia, the overall growth of social housing households has not kept up with the overall growth rate of number of households.⁽¹⁴⁾ In 2023 only 2.8% of Victoria's housing was social housing households, the lowest in the country.⁽⁷⁾

The Community Housing Industry Association Victoria (CHIA) estimates a need for 6,000 new dwellings



each year for the next 10 years to keep up with demand; and with the population growth trend in regional Victoria, there is a clear need for quarantined social housing in these areas.(4)

Young people in our consultation identified the urgent need for more social and community housing to prevent young people who cannot access safe, secure private housing from entering homelessness. Two participants with lived experience of social housing reflected on the need for new social housing to be suitably integrated into infrastructure planning, ensuring builds are located near community hubs and services. They spoke to the importance of community support for social housing, and stressed the need to actively destigmatise residents by involving them in community:

"Those complexes of housing units, which people define as the ghetto or to 'stay away from those flats', you know, because some of us get labelled as being troubled youth or put in the 'too hard basket', and we tend to group up together and support each other, because we're all going through the same struggles. I guess [social housing] gets deemed as a bad area. From a shire or community point of view, they're not really fond of putting commission houses together anymore and end up splitting everyone up, but then there's no community anymore."

Impact of military towns


In areas with large Defence presences, housing supply must account for the unique demands of relocating military families, without disadvantaging the broader community.

One young person spoke to the presence of military residences in their region, noting housing is often quarantined for military personnel and their families, and the impact this can have in certain regional towns:

"There's quite a lot of people in the army, so [in Wodonga] we do also have that more sort of unique kind of issue with the housing supply as well, because we do get so many people coming in for that reason. I would imagine it's prioritised, because usually it's not single people. It's like a lot of people with, you know, a partner and kids."

Insufficient income support for housing and accommodation

Participants identified one of the main barriers for them as young people is the



lack of meaningful financial support they receive from income support payments such as Commonwealth Rent Assistance, JobSeeker, or Youth Allowance. Many young people are engaged in study or are on minimum wage payments, and struggle to keep up with increasing average rents in regional areas.

All of the young people in our consultation had lived experience of accessing income support, and shared the challenges associated with receiving financial support which places them below the poverty line, while trying to access affordable housing.(15)

Anglicare Victoria's Rental Affordability Snapshot Report (the Snapshot) showed there were no properties advertised for rent that met the criteria to be deemed affordable and appropriate for a single person relying on JobSeeker or Youth Allowance, and just two properties suitable for a single parent receiving JobSeeker.(6)

One young person shared their experience of housing insecurity while in supported housing, noting without safe, secure housing to transition to, young people are often left with no option but to return to family homes or enter homelessness.

“Currently I'm living in mental health supported youth housing...and I've noticed everyone who leaves here is either ending up back at their parents, [who] a lot of them are trying to get away from so they came here, or they end up back on the streets when they can't go back home. I look at the housing online, and I'm like, I don't know how I'm possibly going to afford that with buying food, medication, just anything like...I don't even think that's possible, and that's not even the bills. That's just the rent. And I'm like, how am I supposed to live like that?”

[Lack of crisis accommodation and housing services](#)

While young people identified an urgent need for more housing to be built, participants highlighted investing in place-based regional Specialist Housing and Homelessness Services is a priority for ensuring those in housing stress are supported to stay in safe, secure housing, before they need crisis homelessness support.

Two participants spoke to the negative impact on their mental health while waiting to receive housing support:



“One of the main barriers that we faced when we were outsourcing support in housing services was the wait list that we were chucked on. We were told we won't get secured housing, we're not talking couple weeks, a couple months, we're talking years. We're not going to hear a result back for years. And that's very devastating and very yeah, just very depressing in general, just to hear that feedback.”

While the number of clients requesting either short-term or emergency accommodation versus long-term housing in Victoria were similar in 2023–24, 70% of clients who needed long-term accommodation were not provided or referred for long-term housing.⁽¹⁶⁾ In some instances, this may be because the agency's service offering may not include long-term housing options, however, may also be an indicator of the lack of affordable housing available in the area.⁽¹⁶⁾

Solutions from Young People: What Can Help Speed Up and Secure Housing Supply?

“Focus on better, not just more, housing — denser, walkable, climate-resilient communities.”

Young people shared their insights into solutions to increase the supply of regional housing, with key messages focusing on the quality of housing, impact on community, and supports for young people accessing private rentals and supported accommodation.

None of the participants were homeowners, and they shared their concerns about the inaccessibility of private home ownership as an unattainable goal in the current housing environment. One young person reflected:

“There are so many people I know where they've done everything right. They've had their 40 hour a week job, they've gone to uni, or they've gone to TAFE, they've done the right thing, and then they've ended up homeless or in housing insecurity anyway, just because we're in an almost, it feels like a feudal system where it's like, you're either a homeowner or you're not, and if you're a homeowner, you have all the rights, and if you're not a homeowner, you're just a grog.”

Housing policy must go beyond simply increasing the number of dwellings. Solutions must be inclusive, responsive to young people's lived experiences, and



designed to support long-term wellbeing, affordability, and inclusion. The following recommendations have been developed through consultation with young people and reflect the diversity of needs, opportunities, and barriers experienced in regional areas.

[Recommendation 1: Expand the availability of community and social housing targeted at young people, with a focus on models that integrate housing with education, employment, and mental health supports](#)

Young people in rural and regional Victoria face significant barriers to accessing safe, affordable housing due to escalating rental costs and low-income support payments. Public and community housing stock is insufficient to meet demand, with long waitlists and limited appropriate options for young people.(12)

The government must invest significantly in the construction and maintenance of youth-focused social and community housing, especially within existing urban infrastructure. Models such as Foyers, which provide integrated youth accommodation tied to employment or education, should be expanded and adapted to meet broader eligibility criteria, including young people who are working or have mental health needs.

Local governments should be supported to partner with not-for-profits and housing associations to deliver housing that is affordable, secure, and youth-appropriate.

Voices of Young People:

One young person shared her experience living in a regional Foyer:

“I actually used to live at the Foyer...I thought when I was living there, it was really good. I wish it wasn't just for education, though, and could be for young people working. And I think that was a big barrier, a barrier for a lot of people there, and a lot of people mental health also struggled. So things like the foyer, I found out, very helpful.”

One participant suggested adapting the framework for Defense Housing in Australia to secure community and social housing places for priority cohorts:

“We already do have a framework, since Defense Housing in Australia is able to fairly reasonably go and match supply and



demand for defense members. So we've already got a framework. We've already got an agency that can get housing. There just isn't a willingness for it or budgeting for it. We'll budget for more mental health, we'll budget to pay for all the services that we need more of because of a lack of housing. But we won't budget for more housing.”

[Recommendation 2: Victorian Government must advocate for the Federal Government to raise income support payments, including Commonwealth Rent Assistance, to reflect the actual cost of renting in regional Victoria](#)

Current income support rates are far below regional median rents, putting secure housing out of reach for young people on Youth Allowance, JobSeeker, or minimum wage.⁽¹⁴⁾ Lifting income support rates to realistic levels would allow young people to afford stable rental housing and participate more fully in their communities.


Voices of young people:

“Centrelink wasn’t helping us out either... I was trying to get on some sort of payment because [my brother] was grinding at work, like I said, 600 bucks a week just for rent... and we’re doing that because we were in a motel for months on end. Eventually I just turned on Centrelink and I was straight up like, ‘Listen, you’re affecting my mental health. Me and my brother are struggling here. You’re not helping us out. The least I’m asking for is... help me out with some payments.’ I’m out of home, I can’t go back, and they said they couldn’t do it.”

Young people recommend immediately increasing Commonwealth Rent Assistance and base payments for youth income supports to reflect current regional market rents, with future rates indexed to housing costs, not CPI alone.

[Recommendation 3: Deliver a greater diversity of housing types—including studios, one-bedroom units, and shared living models—that reflect the varied needs of young people in different life stages](#)

One-size-fits-all housing models do not reflect the wide range of living arrangements young people require. Many young people, especially students or entry-level workers, need affordable, smaller-scale housing options near services and education providers.



Regional housing planning must incorporate a variety of housing types, including shared accommodation models and one-bedroom units, in central and well-connected areas. This should be supported by zoning reforms and incentives for developers to include diverse housing typologies in their builds.

One participant spoke in support of prefabricated builds for social housing, stating: “Prefabricated housing is a great option; faster to build, lower cost, and easier to install in regional areas.”

Voices of young people:

“If you're a single young person and you're going to uni and you're at the start of your life, your housing needs are different. You don't need a whole house. Your housing needs are going to be ‘I need a little studio, and I want to have other people around.’ But if you're a family, then maybe you want a house in the backyard, further away from town, and you've already got a job and stuff. The idea that all people would have the same needs is a bit...we're all different.”

Recommendation 4: Prioritise investment in medium- and high-density housing developments in regional centres to maximise proximity to services and reduce urban sprawl

Urban sprawl in regional towns isolates residents from key services and increases car dependency, which disproportionately affects young people who may not drive or be able to afford vehicle ownership.

Denser housing options are critical for creating walkable, service-rich communities that support young people’s independence and social connection. Building planning must prioritise infill and mixed-use development in regional planning to maximise proximity to existing transport, education, employment, and health services.

Voices of young people:

“Stop expanding low-density sprawl — it’s unaffordable and environmentally unsustainable.”

“Developers try to rezone farmland to sprawl further out. But the long-term cost of that sprawl is huge — roads, sewage, gas,



electricity — it all ends up costing the public more, and that drives up rents.”

[Recommendation 5: Mandate that all new housing developments in regional Victoria meet minimum climate resilience and energy efficiency standards, including integration of renewable energy systems](#)

Young people are highly concerned about climate change and the cost of utilities. New housing that fails to meet climate resilience or energy efficiency standards imposes long-term costs on young renters and owners, as well as negative mental health impacts.

Regional Victorian communities have faced a range of climate-affected disasters, and many communities are still recovering from the impact of the 2019-20 bushfires and the 2021 flood event.⁽¹⁷⁾ As temperatures continue to rise, regional Victoria will see a significantly lengthened fire season, severe drought and rising sea levels.⁽⁵⁾

Future-proofing regional housing with renewable energy infrastructure and climate resilience measures is essential to the sustainability of new buildings. All new regional housing should meet minimum sustainability benchmarks, including insulation and sustainable energy options. Incentives and legislation should ensure landlords are not passing on the costs of inaction to tenants.


Voices of young people:

“Legislation and incentives around solar power is important given young people are often burdened with the financial responsibility for decisions made by their landlords in that respect.”

“Making access to renewables easier, like microgrids and composting toilets, is important — that kind of micro-living needs to be more supported.”

[Recommendation 6: Implement transit-oriented development strategies in regional areas to ensure new housing is located near reliable public transport and active transport networks](#)

The lack of integrated transport infrastructure in regional developments isolates young people from jobs, education, and essential community services. Building



housing developments around public transport hubs can reduce car dependency and improve access to social infrastructure.

Transit-oriented development principles should be embedded in regional planning schemes. Stronger investments in regional public transport hubs, pedestrian and cycling infrastructure is needed to ensure new housing developments are located near existing and planned transit services.

Voices of young people:

“Transit oriented development regionally would be amazing thing to touch on as well as often regionally only road-oriented development is prioritised which contributes to regional/rural disadvantage”

“We have a bunch of fantastic transport hubs that could create tens of thousands of more housing places regionally but they’re often these opportunities are ignored due to car centric planning.”

[Recommendation 7: Streamline planning and zoning processes to support the adaptive reuse of vacant commercial and industrial spaces for affordable residential housing](#)

There are underutilised commercial properties in regional areas which represent a missed opportunity to meet urgent housing needs. Current planning and zoning laws make it difficult to repurpose these spaces for residential use. Reimagining vacant commercial spaces for residential use can quickly expand housing options without contributing to urban sprawl and optimising proximity of old buildings.

State and local governments should develop a fast-track planning mechanism to convert suitable vacant commercial or industrial spaces into residential units. These projects should include minimum energy efficiency and accessibility standards, and prioritise affordability. Participants emphasised reclaiming car-dominated spaces to prioritise people, green spaces, and cycling infrastructure.

Voices of young people:

“Cut red tape around adaptive reuse — it should be easier to turn old buildings and unused commercial properties into housing.”



“Zoning changes should make it easier to build medium density, not harder.”

[Recommendation 8: Introduce flexible zoning reforms that support the development of small homes, backyard dwellings, and low-cost builds to increase affordable housing options](#)

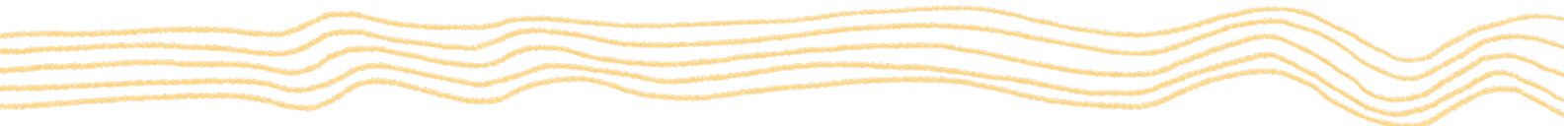
Young people in regional areas report that restrictive zoning laws prevent affordable and creative housing solutions such as backyard dwellings, tiny homes, or caravans to accommodate large families or transitional living, which can open up new housing options for young people across regional areas.

Local governments should amend zoning laws to allow smaller dwellings on existing properties, reduce minimum lot sizes, and permit secondary dwellings or relocatable units without excessive permit burdens. Costs associated with planning applications should also be reduced for low-income households.

Voices of young people:

One participant shared his experience speaking to a community member, who owned private land but was prevented from building a house on it:

“I was doing a work placement through school as an electrician on this farm an hour out of town. We installed solar panels, and we're having a chat to the fella out there. He said he built a shed instead of a house because he wasn't able to build a house on his property, because he didn't have a certain amount of property. And I think he said he at a minimum, to build a house, you need, like, 10,000 acres or something, or a special permit. And because he's not a farmer, to produce and sell, they wanted to charge him excess taxes just to install electricity lines to his house or to the shed, to be exact, and all up, he spent, I think he was looking at a couple million just to get a house, get electricity hooked up, and he still would have to pay for the electricity. The reason I'm bringing this up is even someone that's worked that hard his entire life, he's already made the step by buying the property. But it's not as easy as just buying property and building a house anymore.”



[Recommendation 9: Strengthen regulation of short-stay accommodation by introducing limits on rental days, increasing taxes for investor-owned short-stays, and requiring planning approval in high-demand areas](#)

An oversupply of short-stay rentals (e.g., Airbnb) in regional towns limits the availability of long-term rental properties and drives up housing prices. Reducing the impact of short-stay accommodation on housing supply is vital to making homes available and affordable for local renters.

The Victorian government should implement stricter regulations on short-term rental properties, including annual caps on rental days and local planning controls to limit concentrations of short-stay accommodation.

Voices of young people:

“Short-stay accommodation like Airbnb is taking homes away from renters.”

“Short stay tax is not enforced well enough and is way too low.”

[Recommendation 10: Support pathways from renting to home ownership by recognising long-term rental payment history as a form of creditworthiness in mortgage assessments](#)

Many young people who have reliably paid high rents for years are unable to access home loans due to outdated mortgage eligibility criteria. Recognising rental payment history as proof of financial reliability can help more young people access mortgage pathways and home ownership. This should be supported by home ownership assistance programs targeted specifically at first-home buyers in regional areas.

Voices of young people:

“Something needs to be said about rental payments being seen as favourably as a mortgage- I have been able to pay \$510 a fortnight for 4 years. that's \$48000.”

“Why are we happy for those more fortunate to invest in rentals for those less fortunate but not for people to directly buy their own homes?”



[Recommendation 11: Invest in workforce development and increase incentives for tradespeople to address labour shortages and accelerate housing construction in regional areas](#)

The housing shortage is exacerbated by a shortage of skilled workers, particularly in trades essential to construction and maintenance, but also impacting healthcare services, local businesses, and education and training institutions.

Implementing regional incentives for trade apprenticeships, increasing wages for key housing-related workers, and supporting workforce development programs that target young people in the regions are all options that would help increase the speed of constructing new homes in regional Victoria. (5)

Recently YACVic implemented the *Future Proof: Young People, Disaster Recovery and (Re)building Communities* project. One of the project deliverables was to increase young people's uptake of qualification pathways with skills to support emergency management in their local rural towns. The project enabled young people to enrol in and complete accredited short courses, certificates and qualifications. The project not only funded these courses, but provided support to young people in understanding training options and pathways to achieve completion of their courses.

Over the life of the project, 172 young people enrolled in certificate or diploma level qualifications. Whilst a number of participants are still completing their courses, all but one have completed or will complete their qualification. A staggering 1707 young people completed accredited short courses or certificate courses such as white card or traffic management which is a precursor for employment. Providing funding and adapting support-based projects like this to match the workforce and development needs to boost rural housing supply should be considered. (17)

Voices of young people:

“Increased wages and more incentive for trades, meaning there are more available tradespeople to support the supply of housing and infrastructure.”

[Recommendation 12: The Victorian Government must advocate for tax and ownership law reform, to discourage multi-property investment and prioritise owner-occupier access to housing in regional Victoria](#)

The commodification of housing allows individuals and corporations to purchase multiple properties, pushing first-home buyers out of the market. Policy



interventions are needed to prevent property investment from exacerbating housing shortages and making home ownership unattainable for young people.

The young people in our consultation recommend introducing progressive land tax measures, higher stamp duties on investment properties, and caps on the number of residential properties an individual can own before penalties apply.

Voices of young people:

Participants spoke to the inaccessibility of home ownership for young people in regional areas, particularly with the number of properties owned as investments:

“On the monopoly of housing...we're having people that can buy property after property and see, the whole market flipped during COVID as well, everybody went and bought all this housing out in the regional areas. You know someone can just buy house after house after house, which has now changed the market for first home buyers. And I know we got the First Home Buyers' scheme and things like that, but realistically, I'm 25 you know? There's only a handful of people I know out of my school who actually bought a house, but they're still paying them off over time. That's the goal, right there, yeah, but the fact is people are allowed to play monopoly, to just buy house after house, and make it more difficult for the next person. We need to limit incentives for people who have more than one property as an income stream.”

Engaging Impacted Sectors and Communities: Why Lived Experience Must Shape Regional Housing Policy

The housing crisis in regional Victoria is not just a social issue; it is a critical economic and workforce development concern. The lack of accessible, affordable, and secure housing affects key regional industries, the availability of essential services, and the long-term wellbeing of communities.⁽⁵⁾ Without proactive and inclusive planning that engages all community members, efforts to expand regional housing supply will fall short of delivering equitable, sustainable outcomes.

Young people consistently emphasised that decisions about new housing must involve those directly impacted; both in terms of who delivers housing and who relies on it to live, work, and participate in their communities. This view was articulated by one of the consultation participants who's ask of the government was:



"Consult those who will live with the decisions — not just developers and government officials."

Consulting Industries Impacted by Regional Housing Supply

One participant highlighted the importance of planning for workforce and supportive infrastructure when considering regional development, reflecting on inefficient reforms in the past which have compounded the housing supply crisis in regional Victoria:

"Because of the push of the past 21st century [the government] was trying to get computer engineers. They totally forgot about the electricians. They forgot about the bricklayers. They forgot about carpenters. They forgot about all this stuff and as a result, now the government's switching back from wanting computer engineers to wanting tradies more than anything right now because of the housing crisis. What's happening in this community, everything from Shepparton to Gippsland, all three of these communities are going to be completely different, including Melbourne, and they're not that far apart, but they're far apart enough where they have their own individual needs."

Healthcare and allied health

The shortage of affordable housing in regional towns makes it difficult to recruit and retain healthcare professionals. Hospitals, clinics, and aged care providers are facing workforce gaps not because of a lack of skilled applicants, but due to insufficient housing options.

Healthcare providers have deep insights into population needs and worker accommodation challenges. Their involvement can ensure housing strategies align with local health workforce development plans with one participant saying:

"In Warrnambool, the health crisis is being driven by the lack of housing, plenty of doctor and allied health professionals wanting to move here but not enough housing."

Construction and trades

Skilled tradespeople are essential to building new housing, but housing inaccessibility—especially for apprentices and mobile workers—slows construction timelines and raises costs.



Builders, electricians, plumbers, and carpenters understand regional labour constraints, material costs, and practical design challenges. Consulting tradespeople will support timely and cost-effective delivery of new housing stock.

Agriculture and farming

Many regional farmers rely on seasonal or visa workers but have insufficient housing to support their need. Regional workers also require access to a vehicle and face longer commutes when there is no affordable housing for them to live locally during the season.

Farmers can offer location specific insight into peak seasonal housing needs and potential land use solutions for workforce housing.

“There's generations of farmers in this area, and a lot of these big supermarkets are messing over the farmers, because they're like, well, we don't have to pay you as much. We can say your produce is worth less, and you can't do anything about it, you know. And so the farmers aren't getting paid a lot, and the farmers all struggling, and less people are having farms, so there's not a lot of farmers now, everyone I've known because my family lives up more rural and they're farmers, all of those farmlands have been sold off to big corporations now. It's an important point about, you know, the amount of farming being sold to big corporations, and what does that mean for people's housing and employment opportunities?”

Education and training providers

Education and training institutes are impacted both by worker shortages due to unavailable housing, as well as disengagement from students who have little or no access to transportation connecting them to institutions, the closest of which may be located in the next regional town. Lack of student housing discourages young people from pursuing vocational education, university study, or apprenticeships in regional centres.

“Warrnambool businesses and organisations do have access to flats and units for students and apprentices throughout the town, with some located at Deakin University Campus, however it is my understanding that most of these are already full. This impacts people's likelihood of taking up further education and training, as there are financial constraints and anxieties that may deter people.”



Retail, hospitality, and local businesses

Housing which is reliant on roads is unsuitable for many young people and prevents them from engaging in work locally, as many regional towns have unreliable or insufficient public transport. Businesses are experiencing staff shortages as workers are priced out of living in the towns where they work. Without affordable housing, regional economies cannot grow or retain local talent with one participant noting:

"Businesses and healthcare services can't find staff because people can't afford to live nearby."

The growing housing affordability crisis threatens economic productivity, as key workers and professionals are priced out of cities and regional centres where they are needed most.(12)

Consulting local stakeholders

Young people and renters

Young people must be directly consulted in housing decisions that shape their future. They bring lived experience, insight into modern housing needs, and innovative ideas about density, transport, affordability, and shared living models.

Frontline housing and homelessness workers

These professionals understand the systemic barriers faced by marginalised people and are well positioned to advise on gaps in crisis and transitional accommodation.

First Nations Communities

First Nations people bring crucial knowledge of land stewardship, community-centred development, and culturally safe housing approaches. This was highlighted by a participant in our consultation who said:

"First Nations people have a lot of knowledge and understanding about the land and making sure that things are done in a way with respect to culture and tradition."

Environmental and conservation groups

With the need for climate-resilient housing growing, conservation stakeholders play a key role in ensuring new developments minimise environmental harm and maximise long-term sustainability.



Conclusion

YACVic thanks the Legislative Assembly Environment and Planning Committee for the opportunity to provide a submission to this important inquiry.

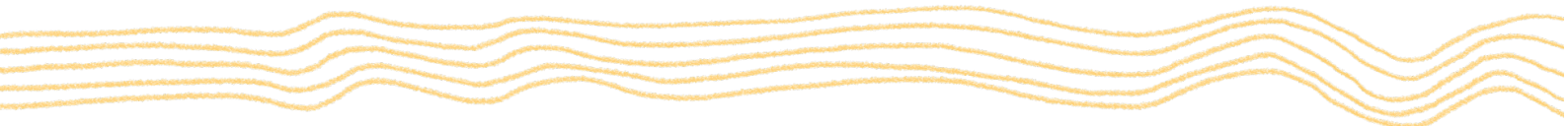
We invite Government and policy makers to work with key youth organisations and young people to ensure the voices of young people are heard on issues and solutions which impact them. YACVic supports the development of evidence-based solutions to ensure the needs of young people are incorporated into strategies to address the supply of homes in regional Victoria. We would be pleased to assist the committee in connecting with young people and the youth sector across regional and rural Victoria to ensure the committee is hearing directly from those most impacted and can be contacted at policy@yacvic.org.au if this is an opportunity the committee would like to discuss further.

References

1. Youth Affairs Council Victoria. Submission to the Parliamentary Inquiry into the rental and housing affordability crisis in Victoria. [Internet]. Victoria (Australia): YACVic; 2023 [cited 2025 Apr 29]. Available from: <https://www.yacvic.org.au/assets/Documents/YACVic-Submission-Inquiry-into-the-Rental-and-Housing-Affordability-Crisis-2023.pdf>
2. Stone W, Clark S, Goodall Z, Hartung C. 'We've been robbed': Young women and gender diverse people's housing experiences and solutions. Victoria (Australia): Swinburne University of Technology; 2024. Available from: ['We've been robbed': Young women and gender diverse people's housing experiences and solutions](#)
3. Council to Homeless People. Report: Housing Insecurity Index 2024. [Internet]. Victoria (Australia): CHP; 2024. Available from: <https://chp.org.au/wp-content/uploads/2024/09/CHP-Housing-Insecurity-Index-September-2024.pdf>
4. Ray T. Housing Re-set Required for Regional and Rural Victoria. [Internet]. Victoria (Australia): Council to Homeless Persons; 2023 [published 2023 Jul 12, cited 2025 Apr 29]. Available from: [Housing Re-set Required for Regional and Rural Victoria - Council to Homeless Persons website](#)
5. Regional Cities Victoria. The time is now: Embracing our regions, Regional Cities Victoria Advocacy Priorities 2022 – 2025. [Internet]. Victoria (Australia): Regional Cities Victoria; 2021. Available from: [Regional-Cities-Victoria_Advocacy-Priorities-2022-25.pdf](#)



6. Anglicare Australia. Rental Affordability Snapshot: Collated Regional Reports 2025. Sixteenth Edition. Canberra (Australia): Anglicare Australia; 2025. Available from: [2025: Rental Affordability Snapshot - Anglicare Australia](#)
7. Anglicare Victoria. Affordable housing ‘needle in a haystack stuff’ for the state’s most vulnerable: new report. [Internet]. Victoria (Australia): Anglicare Victoria; 2024 [cited 2025 Apr 29]. Available from: <https://www.anglicarevic.org.au/news/affordable-housing-needle-in-a-haystack-stuff-for-the-states-most-vulnerable-new-report/#:~:text=Country%20living%20offers%20more%20options,to%20148%20properties%20in%202024>
8. Australian Housing and Urban Research Institute. What are the real costs of the housing crisis for Australia’s young people? [Internet]. Victoria (Australia): AHURI; 2023 [published 2023 Apr 18, cited 2025 Apr 29]. Available from: [What are the real costs of the housing crisis for Australia’s young people? | AHURI](#)
9. Australian Institute of Health and Welfare. Australia's youth: Housing stress. [Internet]. Canberra (Australia): AIHW; 2021 [updated 2021 Jun 25, cited 2025 Apr 29]. Available from: [Australia's youth: Housing stress - Australian Institute of Health and Welfare](#)
10. Pawson H, Parsell C, Clarke A, Moore J, Hartley C, Aminpour F, et al. Australian Homelessness Monitor 2024. [Internet]. Sydney (Australia): UNSW City Futures Research Centre; 2024. Available from: [AHM_Final_v3.pdf](#)
11. .id (informed decisions). Regional Vic: Number of bedrooms per dwelling. [Internet]. Melbourne (Australia): .id; 2021 [cited 2025 Apr 29]. Available from: [Number of bedrooms per dwelling | Australia | Community profile](#)
12. Azize, M. Priced Out: An Index of Affordable Rentals for Australian Voters. Third Edition. [Internet]. Melbourne (Australia): Everybody’s Home; 2025. Available from: [EH_Priced-Out-Report_2025.pdf](#)
13. Victorian Parliamentary Budget Office. 90-day cap on short stay accommodation: Impact on property owners. Melbourne (Australia): Parliamentary Budget Office; 2024. Available from: [90-day cap on short stay accommodation](#)
14. Anglicare Australia. Cost of living index: Income Support Payments June 2024. [Internet]. Canberra (Australia): Anglicare Australia; 2024. Available from: [Cost-of-Living-Index-2024-Income-Support.pdf](#)
15. Dorsch P. New report highlights depth of poverty for people on income support [Internet]. Poverty and Inequality. 2023 [cited 2025 Apr 29]. Available from: <https://povertyandinequality.acoss.org.au/poverty/new-report-highlights-depth-of-poverty-for-people-on-income-support/>



16. Australian Institute of Health and Welfare. Specialist homelessness services annual report 2023–24, Clients, services and outcomes. [Internet]. Canberra (Australia): AIHW; 2025 [updated 2025 Mar 11, cited 2025 Apr 29]. Available from: <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-services-and-outcomes>

17. MacDonald F, Lanyon C, Munnery L, Ryan D, Ellis K, Champion S. Agents of change in bushfire recovery: Young people's acts of citizenship in a youth-focused, animal-welfare and environmental program. Intl Jnl Dstr Rsk Rdn. 2023 Jan 26;87:103551. Available from: [Agents of change in bushfire recovery: Young people's acts of citizenship in a youth-focused, animal-welfare and environmental program - ScienceDirect](#)

