



Refugee Council of Australia

COUNCIL ON FEDERAL FINANCIAL RELATIONS AFFORDABLE HOUSING WORKING GROUP

SUBMISSION TO THE AFFORDABLE HOUSING WORKING GROUP – INNOVATIVE FINANCING MODELS

The Refugee Council of Australia (RCOA) is the national umbrella body for refugees, asylum seekers and the organisations and individuals who work with them, representing over 200 organisations and around 1,000 individual members. RCOA promotes the adoption of humane, lawful and constructive policies by governments and communities in Australia and internationally towards refugees, asylum seekers and humanitarian entrants. RCOA consults regularly with its members, community leaders and people from refugee backgrounds and this submission is informed by their views.

RCOA welcomes the opportunity to give feedback on to the Affordable Housing Working Group. Each year, RCOA conducts annual national community consultations on issues associated with Australia's Refugee and Humanitarian Program,¹ with finding affordable and adequate housing always being one of the key concerns of refugee communities in Australia. We strongly advocate for the consideration of the issues faced by refugee and humanitarian entrants in the Working Group's Inquiry. We also encourage the Working Group to read RCOA's report, *The Home Stretch: Challenges and alternatives in sustainable housing for refugees and asylum seekers*,² which is included as an attachment to this submission.

1. Background on Australia's Refugee and Humanitarian Program

- 1.1. Australia's Refugee and Humanitarian Program has two main components: the offshore program, for people who are resettled in Australia from overseas (usually after either being referred to Australia by the United Nations High Commissioner for Refugees, or being sponsored by a person or organisation in Australia); and the onshore program, for people who apply for refugee status after arriving in Australia as asylum seekers and are found to be in need of Australia's protection.
- 1.2. Australia's Humanitarian Settlement Services (HSS) program provides on-arrival settlement support and orientation to most people who are resettled in Australia from overseas and a small number of refugees who sought asylum in Australia. Services include provision of short-term accommodation on arrival and assistance with finding long-term private rental accommodation (for which humanitarian entrants then have full financial responsibility). Humanitarian entrants who are sponsored for resettlement by individuals or organisations in Australia are not eligible for all HSS services (for example, their sponsors are expected to provide accommodation on arrival and assist them to find long-term accommodation). People who have lived in the Australian community while seeking asylum are not eligible for any form of assistance under the HSS.
- 1.3. Upon exiting the HSS program (usually six to 12 months after arrival), humanitarian entrants have access to a range of services under the Settlement Grants Program (SGP), which is designed to provide assistance with longer-term settlement needs. SGP services vary between locations but most focus on casework, referrals, provision of settlement-related information, advocacy services and community development activities. Some SGP services have a specific focus on housing and employ specialist housing workers to provide support to clients in securing and maintaining successful tenancies.

¹ RCOA's annual submissions on the Refugee and Humanitarian Program can be viewed at <http://www.refugeecouncil.org.au/publications/intake-submission/>

² Available at <http://www.refugeecouncil.org.au/r/rpt/HomeStretch.pdf>

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2. Background information on the issues of housing for refugees

- 2.1. Research has clearly shown that housing plays a critical role in the health and wellbeing of individual Australians. The availability of affordable, sustainable and appropriate housing is known to underpin good health and the social, educational and economic participation of individuals. However, the challenges faced by asylum seekers and people from refugee backgrounds in finding affordable, appropriate and sustainable housing is consistently raised as one of the primary issues affecting humanitarian entrants in Australia. In recent years, these challenges have become even more acute due to the increasing competitiveness of the housing market in many metropolitan and regional areas across Australia.
- 2.2. While accessing affordable and suitable housing is a challenge for all low income earners in the current market, humanitarian entrants also face a range of additional barriers which hamper their capacity to find and maintain sustainable housing. These include: reliance of income support during the early stages of settlement or due to difficulties in finding employment; lack of understanding of Australian rental processes; language barriers; lack of rental history and documentation; lack of understanding of tenancy rights and responsibilities; negative attitudes among real estate agents, landlords and other housing providers; and the risks associated with shared accommodation arrangements.
- 2.3. While there are many common challenges for asylum seekers, refugees and other humanitarian entrants in finding accommodation, experiences in the Australian housing market also differ for different groups depending on factors such as family composition, gender, cultural background, age and length of time in Australia. Similarly, while asylum seekers face many of the same barriers and challenges as humanitarian entrants on permanent visas, consultation participants also identified a range of specific issues affecting this group, including their temporary visa status, exceptionally low incomes, the limitations of service provision models for asylum seekers and inadequate transition support.
- 2.4. Although communities and service providers across Australia have adopted a range of strategies to assist humanitarian entrants, there is also a need for government action to further enhance access to housing and address underlying structural and systemic issues. This includes: developing the housing sector to expand available housing stock; addressing affordability through providing financial assistance and reviewing relevant income support programs; building the capacity of housing providers to respond to the needs of humanitarian entrants and supporting the involvement of refugee communities in efforts to address housing challenges.

3. Specific issues regarding housing for refugees and humanitarian entrants

RCOA's research³ on housing issues for people settling in Australia through the Refugee and Humanitarian Program has identified a range of challenges that refugees face in attempting to secure affordable and stable accommodation, including financial hardship, lack of appropriate accommodation, difficulties navigating the private rental market and a lack of social and community capital.

- 3.1. Financial hardship: Many refugee and humanitarian entrants arrive in Australia with few or no financial resources, may be in debt and often face significant challenges in securing employment during the early stages of settlement. Additionally, many refugee and humanitarian entrants send remittances to family members living in dire situations in countries of origin or asylum, often sending a significant portion of their limited income overseas. These factors render the task of meeting private rental costs exceptionally challenging and can result in refugee and humanitarian entrants living in poverty and overcrowded conditions for the first few years of life in Australia.
- 3.2. Shortage of appropriate accommodation: The shortage of low-cost housing in many parts of Australia is a major factor leading to housing stress among refugee and humanitarian entrants.

³ See RCOA, *The Home Stretch: Challenges and alternatives in sustainable housing for refugees and asylum seekers*, 2014, available at <http://www.refugeecouncil.org.au/r/rpt/HomeStretch.pdf>

Vacancy rates in the private rental market are generally low in Australia's south-eastern states and there is a shortage of private rental accommodation that is affordable to households with very low to moderate incomes – categories into which many refugee families fall during the early years of settlement. Large refugee families in particular face challenges in securing accommodation that is both affordable and appropriately sized. Some large families may be forced to live in more than one property due to their inability to secure a single property suited to their needs.

- 3.3. Lack of affordable housing pushing people to outer suburbs without adequate services and support: The lack of affordable housing in the main cities across Australia has pushed people to find houses in the outer suburbs. While these houses are more affordable, they are often in areas where there aren't appropriate support services in place. This is especially significant for people who are new to Australia, and require support from settlement service providers. Without the support of settlement services, there is a risk people may become isolated and not get the initial support they need to settle successfully. People have also reported that they feel socially isolated in some of the outer suburbs, as they are further from their community members.
- 3.4. Discrimination within the housing market: Research has found common experiences of discrimination and prejudice faced by refugee and humanitarian entrants while navigating the housing market. A study of housing experiences among African refugees in Western Sydney, for example, highlighted the system-wide discriminatory practice of real estate agents and housing providers using English when communicating with refugees who have limited English language skills, even when a telephone interpreting service is available for this purpose.⁴ This study further found that discrimination heightens the risk of exploitation or people agreeing to leasing arrangements that are unfair or illegal. Other literature has found that many refugee and humanitarian entrants experience discrimination from real estate agents or private landlords when applying for private rental tenancies or when attending inspections. A study published by the Australian Housing and Urban Research Institute noted that “discrimination appears to be a major impediment to successful movement through the housing market and this prejudice comes from neighbours, landlords, real estate agents and the general community”.⁵ Discrimination may also be a driver for individuals and families moving to particular localities which are seen to be less threatening and less hostile.
- 3.5. Social and community connections: In a 2010 study by the Centre for Multicultural Youth (CMY)⁶ it was found that many former refugees (and particularly young people) rely on other community members for housing advice or support and that community members, sometimes newly arrived themselves, may lack knowledge of and connections to the housing sector. Literature also suggests that the breakdown of relationships among family members in Australia as well as family separation have a profound impact on securing appropriate accommodation. The CMY study found that family breakdown is one of the leading causes of homelessness among young people and is a direct cause of homelessness for refugee young people. CMY also notes that refugee families may be more at risk of this family breakdown because of specific circumstances associated with the refugee experience: the impact of trauma and loss, disrupted and re-configured family relations and overcrowded housing.
- 3.6. Homelessness: A 2012 study by Homelessness Australia found an increased risk of homelessness among refugee background populations. Further, it found that former refugees face challenges accessing services to prevent or support transitions out of homelessness. These challenges include insufficient knowledge of the service delivery system, inability to navigate the service delivery system and being discouraged from accessing services which are “culturally unfriendly”. Research published in 2014 by James Cook University also found that the majority of homelessness experienced by members of culturally and linguistically diverse communities was secondary homelessness, involving people frequently moving from one temporary shelter to

⁴ Evans, S and Gavarotto, R (2010). *Long Way Home? The plight of African Refugees obtaining decent housing in Western Sydney*; Anglicare Sydney. <http://www.anglicare.org.au/news-research-events/latest-research/long-way-home>

⁵ Beer, A and Foley, P (2003). *Housing Need and Provision for Recently Arrived Refugees in Australia*: AHURI Final Report No. 48. Melbourne: Australian Housing and Urban Research Institute. www.ahuri.edu.au/publications/projects/p40048

⁶ Centre for Multicultural Youth (2010). *Finding Home in Victoria*. www.cmy.net.au/Assets/1631/1/FindinghomeinVictoria.pdf

another, including friends' homes.⁷ Report authors, Glenn Dawes and Narayan Gopalkrishnan argue that, because of the hidden nature of secondary homelessness, much of the homelessness experienced by refugee and humanitarian entrants is not easily quantifiable.

- 3.7. Disability: Since 2012, refugee settlement service providers have noticed an increase in the prevalence and severity of incidences of disability among newly resettled refugees. While community members and services welcome this increase on the basis that Australia should be taking the most vulnerable, many commented that support needed to be increased in order to properly settle those with disabilities. These individuals require extra funding and resources, as without proper access to equipment and appropriate housing, their standard of living is likely to be severely compromised. RCOA has heard from numerous service providers regarding the placement of people with disabilities who have arrived under the Refugee and Humanitarian Program into inappropriate housing. This may be housing without ramps, with staircases or lacking in disability appropriate toilets and bathrooms. As one service provider noted during our annual consultations:

People arriving in Australia through the Humanitarian Program receive short term accommodation on arrival until they can find their own accommodation. However, they can't even get inside the home if there are stairs to get in. And they can't use the toilet because a lot of toilets in Australia are those little narrow ones and if they need help to get in, there's no support for them. They end up going to the toilet outside. We've had a few clients in that situation, they can't shower on their own. We had a client recently, for the first 14 months in Australia they weren't able to have a shower. That kind of situation is not really acceptable. Most clients, you have to wait about six weeks before an OT [occupational therapist] can come, at the earliest and make an assessment, and then another six weeks before their first piece of equipment will arrive. Modifications for the home to make them accessible need to be paid for by the client or by the landlord. As you will appreciate if you're already negotiating with the landlord to take a client who has no employment history, no rental history, he's disabled and has no likely future employment, can't speak English, and they need to spend a few thousand on modifications to the home to accommodate them, the chances of getting a home are nothing at all.

4. Strategies for supporting refugees searching for sustainable housing

- 4.1. Increasing affordability through equitable access to social services for asylum seekers and refugees: As discussed, affordability is a major barrier to access housing, both for those seeking to enter the rental market for the first time and those who have secured housing but are struggling to keep up with rent. The lack of housing affordability undoubtedly impacts asylum seekers living in the community more acutely because of their very low incomes and/ or lack of working rights. On such low incomes, and without the possibility of finding work, many asylum seekers on bridging visas are forced into the most precarious kinds of housing arrangement or homelessness. RCOA recommends that policy changes should consider:

- providing additional rental subsidies;
- increasing the availability of small loans schemes;
- creating incentives to increase both private and social housing stock;
- reviewing the level of income support available to low income earners and the unemployed; and
- extending work rights to asylum seeker.

- 4.2. Enhanced supports for 'medium-term' asylum seekers: Existing literature on housing for asylum seekers has identified a need for a holistic framework to facilitate asylum seekers' access to the current transitional or supported housing service systems. More specifically, a 2010 Hotham Mission report⁸ called for discreet housing models for asylum seekers, particularly medium-term supported transitional housing, arguing that "while many of the services provided to newly arrived refugees are relevant to asylum seekers, the transitional nature of seeking asylum requires a

⁷ Dawes, G and Gopalkrishnan, N (2014) *Far North Queensland Culturally and Linguistically Diverse (CALD) Communities Homelessness Project*, Cairns Institute, James Cook University. <http://researchonline.jcu.edu.au/29150/>

⁸ Liddy, N, Sanders, S, and Coleman, C (2010). *Australia's Hidden Homeless: Community-based options for asylum seeker homelessness*; Hotham Mission Asylum Seeker Project, Melbourne. http://library.bsl.org.au/jspui/bitstream/1/1957/1/Australias_Hidden_Homeless.pdf

different approach". The model proposed by Hotham Mission sets out an upper limit on the length of support at 18 months, anticipating that asylum seekers will have their claims resolved within this time period and that "the majority of asylum seekers will exit their housing within 18 months".

- 4.3. RCOA research undertaken in 2014 raised similar concerns. Consultations undertaken by RCOA with asylum seekers living in Australia have indicated the presence of a service gap in 'medium-term' supports. This research suggests that those families who no longer qualified for the Humanitarian Settlement Services program (HSS) or intensive case management support lacked adequate funding, thereby limiting their ability to access sustainable housing. Additionally, persons who have been in the country for a year or two in shared accommodations, reported struggles when attempting to locate secure accommodation once reunited with family members. This was found to be the result of living in share housing, thereby denying them any official rental record. RCOA recommends that policy changes should consider:
 - 'bridging the gap' by increasing funding for 'medium-term' asylum seekers;
 - creating better support and information systems for 'medium-term' asylum seekers;
 - creating incentives to increase both private and social housing stock to take on asylum seekers without a rental history.
- 4.4. Support to navigate the housing market: Many challenges faced by asylum seekers stem from their lack of understanding of the housing market system. Research conducted by RCOA suggested that people from refugee backgrounds often have a limited understanding of private rental systems due to their experiences of forced displacement or because of different housing systems and expectations in their home countries. New arrivals not only need access to information about the markets in their local area, but they also need information which will allow them to realign their expectations if there is a serious disjuncture between their experiences of housing in other countries, their expectations of finding somewhere to live in Australia, and the reality of the local housing market.
- 4.5. Along with subsidising existing programs for education, there is also clearly a need to establish services that focus on supporting and informing individuals and families to navigate, enter and stay in the Australian housing market. These services need to be culturally mindful and available in various languages in order to ensure they are effective to those who struggle with such barriers. One-on-one housing support may be necessary in order to help people search for properties, travel to rental inspections, fill in application forms, understand and complete rental agreements, set up rental payment agreements, connect utilities and set up payment arrangements, fill in condition reports and apply to be put on public housing priority lists.
- 4.6. In particular, tenancy education should be a priority of the funding program. Many new arrivals need much help in order to understand tenants' rights, budgeting, understanding the lease, lease requirements, applying for a property, cleaning a property and share-house agreements, amongst other concepts.
- 4.7. RCOA recommends that policy changes should consider a broad and flexible education program and support system for new arrivals would make ensure asylum seekers and refugees are well informed about how to access to affordable and sustainable housing.
- 4.8. Language education: Poor language skills can constitute a large barrier when attempting to access housing. RCOA research found that people with limited or no English face significant challenges in communicating with real estate agents and landlords. Due to a lack of awareness of available services and insufficient knowledge of the issues, most local real-estate agents do not use interpreters when dealing with people with language barriers. RCOA research revealed that some service providers who had made efforts to educate local real estate agents about interpreting services asserted that some agents still refused to use interpreters. A caseworker in Sydney reported that their clients "usually just hand us the phone" to communicate with real estate agents on their behalf.
- 4.9. Lack of English language skills presented a barrier not only when communicating directly with real estate agents and landlords but also when searching for properties, filling in application forms,

understanding tenancy contracts and seeking redress in instances where their rights as tenants have not been upheld.

- 4.10. RCOA recommends that resources be allocated to educating local real-estate agents and other actors in the property market about the importance of using translators and how to access them. Resources are also needed to inform asylum seekers about the key terms and notions they need to be understood in the property market environment.
- 4.11. Addressing issues for people with a disability: Despite the increase in the number of people arriving in Australia on humanitarian visas with disabilities and other health concerns, little consideration has gone towards increasing relevant and appropriate support systems for these individuals. RCOA recommends that additional disability appropriate short-term accommodation and services are provided for new arrivals with disabilities.

5. Recommendations

Recommendation 1

RCOA recommends that the Australian Government work with state, territory and local governments explore strategies to increase the availability of affordable housing stock, such as direct housing development, financial incentives, community and private sector partnerships and alternative social housing models.

Recommendation 2

RCOA recommends that additional disability appropriate short term accommodation be provided for people arriving through the humanitarian program with a disability.

Recommendation 3

RCOA recommends that the Australian Government and state/territory governments establish additional financial support programs (such as rental subsidies and bond loans) for people on low incomes.

Recommendation 4

RCOA recommends that the Australian Government revise the payment rates under relevant government income support programs, in particular the Status Resolution Support Services, to a level which more accurately reflects the cost of living.

Recommendation 5

RCOA recommends that the Australian Government, through the Department of Social Services, provide funding to support the delivery of professional development and training opportunities for real estate agents, specialist housing and homelessness services and other housing providers, to ensure that they are able to meet the needs of asylum seekers and people from refugee backgrounds.

Recommendation 6

RCOA recommends that the Australian Government provide additional funding under the Settlement Grants and Status Resolution Support Service programs for specialist housing workers to provide more intensive support with housing issues.

Recommendation 7

RCOA recommends that the Australian Government and state/territory governments develop partnerships with refugee communities to support their role in addressing settlement issues and challenges, including those related to housing.