

# Shelter Tasmania

Submission to the  
Legislative Council Select Committee  
Housing Affordability in Tasmania

August 2007

Shelter Tasmania is an independent community organisation  
committed to the principle of accessible, affordable,  
appropriate and secure housing for every person and  
the elimination of homelessness



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## Introduction

Shelter Tasmania is pleased to participate in The Legislative Council Select Committee on Housing Affordability in Tasmania. Shelter's submission reflects the issues raised by its membership and endorsed by the Shelter Management Committee.

Shelter and its members are concerned that the lack of access to affordable housing is a deep and significant problem facing Tasmania. We need comprehensive and sustained action by Government, as well as the business and not-for-profit sector, essential to reducing the ongoing economic and social damage that is being caused.

Shelter's members' main concern is that lack of secure long term housing for low-income Tasmanians is reaching a crisis. The Housing and Supported Accommodation Service System (SAAP) is based on a continuum of support from homelessness to crisis accommodation to long term housing. This is no longer effective: the system is blocked because of the lack of affordable housing for people to exit. This is reinforced by statistical evidence of increasing housing costs in Tasmania.

While the housing market may be slowing, rental prices are increasing and interest rates are predicted to rise. The market will not fix the problem, but good policy can.

With the Commonwealth State Housing Agreement due to expire in mid 2008 it is crucial that the State Government now prepares Tasmania for what may happen post 2008 and have strategies in place to sustain the social housing system.

Shelter's members call on the Government to invest in a robust and sustainable public and community housing system. The social housing system is the base needed for a Tasmanian affordable housing system.

While the private rental sector continues to be a very competitive market, with increases in rent and very low vacancy rates, it is not an affordable option for many low income people. The importance of public and community housing continues. Social housing is one of the few structural mechanisms, or levers, that governments can utilise to reduce poverty and broader social and economic inequalities. One consequence of inequality and high housing costs is a noticeable increase in the number of homeless people.

Shelter is currently working with Anglicare and TasCOSS on behalf of the Tasmanian community sector on the development of a comprehensive housing policy position. That policy will be released on 16<sup>th</sup> October 2007. Much of the material in this submission is taken from the extensive research undertaken in the formulation of the policy.

Shelter congratulates the Legislative Council for establishing the Inquiry and calls on the Select Committee to consider the recommendations put forward in this document. Shelter would like the opportunity to speak to the Committee regarding the issues raised and recommendations made in this submission. Attached to this document are a number of surveys and a contact list of low-income Tasmanians experiencing housing stress and homelessness who are willing to talk the Committee. We encourage you to contact them.

## About Shelter

Shelter Tasmania is an independent not-for-profit housing peak organisation funded by the Department of Health and Human Services as a 'Housing Consumer and Provider Peak Body Service'. Shelter Tasmania is the key body that represents the interests of low to moderate income housing consumers and housing providers across Tasmania.

Shelter's membership consists of a wide range of organisations across Tasmania such as: tenants groups, community housing providers, homelessness and crisis accommodation services, local government, research organisations and a range of individuals and services interested in housing and homelessness issues. Shelter is an affiliated member of National Shelter and is part of a network of organisations representing consumer issues in relation to housing and human rights. The Council of Homeless Persons (Tasmania) is a subcommittee of Shelter. Shelter Management Committee is made up of 12 elected members from across Tasmania. The Management Committee members represent a range of agencies and individuals with a broad knowledge and experience of issues facing low income housing consumers and housing provision.

Shelter aims to provide an effective Tasmanian voice on housing and related issues by fulfilling the following objectives:

- To promote and maintain the right of every person to access affordable, safe and secure long term housing that they identify as appropriate to their needs.
- To promote and maintain the right of every person to housing of a quality which enhances people's health, well-being, dignity and life opportunities.
- To promote the benefits of public and community housing in the community and across all levels of government.
- To publish, research, collect and disseminate information on matters relating to the provision of housing, particularly for people on low to moderate incomes.
- To create opportunities to support, establish, resource and co-ordinate non-government organisations and agencies with similar interests and objectives to the Association.
- To promote opportunities for members of the community to access housing provision free from discrimination due to age, gender, ethnicity, health status or disability.
- To promote and support consumer and community participation in decision making in relation to their housing and to promote access to avenues of appeal across all housing tenures.
- To provide a structure that enables the members to inform policy development in a manner that is consistent with the objectives and visions of the association and also reflects the needs of homeless people and people who live in poverty or on low incomes.
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## Terms of Reference

- 1. The experiences of Tasmanians in Housing Stress and Homelessness.**
- 2. The impact of lack of affordable housing on the broader economic and social wellbeing of the Tasmanian community.**
- 3. The impact of a lack of affordable housing on the implementation and outcomes of other State Government programs.**
- 4. The effectiveness and limitation of current State and Federal Government strategies and services to alleviate the impact of poor housing affordability in the Tasmanian Community.**
- 5. The appropriateness of current level of funding for such strategies and services.**
- 6. Successful strategies in other Australian States that could be effective in improving affordability in Tasmania.**
- 7. Other matters.**

## ***1. The experiences of Tasmanians in Housing Stress and Homelessness.***

### **Context**

Even though the Tasmanian housing system works well for most Tasmanians, there is an increasing number of households suffering from unaffordable housing or homelessness. In Tasmania 26,000 households, or 10.6% (Harding et al 2004), are in housing "housing stress" (defined as having to pay over 30% of income in housing cost), with some in "extreme housing stress" paying more than 50% of their income in housing cost. The majority (52%) of these stressed households are in the private rental market, and another 36% are in the process of purchasing their own home. Both groups are vulnerable to increasing housing costs. In addition to these stressed households, the 2001 census found that 2,415 (Chamberlain 2001) persons were homeless. These households represent the ultimate failure of our housing system.

The crisis in affordable housing across Tasmania leading to increasing numbers of Tasmanians living in stress has been well researched and documented. Extensive background papers were developed as part of the Tasmanian Affordable Housing Strategy 2004-8 (Housing Tasmania 2003). Each year Shelter, along with a number of community organisations, submits to the Tasmanian Treasury a detailed document outlining the statistical evidence of increasing housing cost, and the impact this lack of affordable housing has on services and those Tasmanians on low and moderate incomes (Shelter Tas 2006). There is much on the public record which the Committee will be presented with, along with a range of submissions that will give evidence concerning wider structural causes of the housing crisis. The Shelter Management Committee decided it would best to complement that wider body of knowledge by creating surveys for the Inquiry.

Shelter circulated surveys over a two week period in August 2007 to member organisations responsible for providing housing and homeless support and accommodation for people on low incomes. Survey 1 was for people renting; Survey 2 was for those who identify as homeless. A total of 61 responses were returned from around the State.

The surveys are the same as those given to Centacare Private Rental Tenancy Support Service. The aim of the surveys was to capture what people experiencing housing stress and homelessness had to say and would like to tell the Select Committee about Tasmania's current housing environment. The surveys also have an option section for people to give their contact details if they would like to take the opportunity to be contacted by the Committee to talk more about their concerns. Many have done so.

As the surveys consisted of 9 questions it was decided that only responses to a limited range of the questions be included for this submission, but the full responses to the surveys will be made available to the Committee along with the contact details of the respondents who offered to talk directly with the committee (see Attachment C).

## Survey 1 - RESPONSES TO SURVEY ON HOUSING AFFORDABILITY

Survey results for people living in **rental** accommodation - Table 1 gives an indication of the amount of rent to income people were paying. Though only a small snapshot it shows the majority are over the 30% benchmark that puts them in housing stress with many in extreme Housing Stress.

**Table 1** Percentage of income respondents (39) pay in rent.

Accommodation Type	Income	Rent per F/n	%
Private	\$587	\$400.00	68.1
Public	\$360	\$110.00	30.5
Private	\$600	\$300.00	50.0
Public	-	\$100.00	-
Private	\$530	\$425.00	80.1
Private	-	\$340.00	-
Private	\$924	\$290.00	31.3
Private	-	\$360.00	-
Private	\$480	\$200.00	42.6
Private	-	\$330.00	-
Private	\$530	\$160.00	30.1
Private	\$856	\$520.00	61.7
Temp/Backpackers	\$424	\$308.00	73.6
Private	\$790	\$350.00	44.3
Private	\$630	\$180.00	28.5
Public	\$405	\$160.00	39.5
Private	\$490	\$340.00	69.3
Private	\$340	\$220.00	64.7
Private	\$382	\$200.00	52.3
Private	\$884	\$320.00	36.1
Private	Pension	\$270.00	-
Private	\$760	\$440.00	58.8
Private	\$780	\$355.00	45.5
Public	\$598	\$110.00	18.3
Public	\$837	\$220.00	26.2
Public	\$963	\$220.00	23.8
Private	\$530	\$170.00	32
Private	\$562	\$310.00	55.1
Private	\$802	\$560.00	69.8
Private	\$923	\$440.00	47.6
Safe House	\$540	\$200	37.0
Private	\$611	\$200.00	32.7
Halfway Home	-	\$330	-
Private	\$1600	\$330	20.8
Public	\$900	\$270.00	30.0
Private	\$1286	\$360	27.9
-	-	-	-
-	-	-	-
-	-	-	-

From the 39 clients who responded to the survey 3 did not provide information on rental type or wage detail.

The comments speak for themselves.

**Table 2**      **Comments from respondents who felt that rent impacted on the way they can afford to live.**

#	Comment
1	I think I will have to move into a tent – I can't keep affording this.
2	Don't have enough money left to live and buy what I need.
3	Can't afford anything.
4	Not much left – it helps that my meals are included.
5	It is too much. I am always getting behind and have a lot of stress because of fear of eviction.
6	Lifestyle.
7	Can't afford anything that we need to have a good life.
8	Limits everything - food, travel, school, especially with children (we have 3).
9	Too expensive for a property - not worth it, puts restrictions on outgoing expenses.
10	(Person in backpackers) The dole covers all my rent leaving no money for food, bills etc as it is \$424 a fortnight.
11	Because there are other expenses as well.
12	I can barely afford groceries and power, phone is not an option at all.
13	Very tight budget.
14	Very tight budget, no spare money for emergencies.
15	To an extent I am able to service all debts, however there are not too many luxuries or the ability to save very much at all.
16	There's not much left over for anything else.
17	Because it doesn't leave us much money to pay bills and buy food.
18	I have a little boy. I can't buy little things for him – because every cent we need for food, power, car.
19	Less shopping, no luxury expenses.
20	Don't go out, don't socialise.
21	The cost of food high and other expenses.
22	Can't afford anything but food – only a bit of that.
23	I need to budget carefully to be able to survive from fortnight to fortnight.
24	I currently reside in a Jireh House halfway home. The reduced rent allows me to save more than if I lived in a regular rental property.
25	I am able to afford food and clothing for me and my children.
26	Sometimes no outing for children.

**Table 5 Experience of accessing housing that is affordable and appropriate to needs.**

#	Comment
1	It is very hard to find.
2	Very, very difficult. It was like a miracle I got the Housing property.
3	Very hard.
4	It's a slow process, I'm lucky now.
5	Can't get public housing, can't find anything more affordable in private rental.
6	Reasonable.
7	Yes good.
8	Difficult.
9	Shelter's friends experience good so far.
10	Not successful at all.
11	Only started looking when I got work last Saturday 11 Aug 07.
12	The rent is hard to afford. I've had to get help from Anglicare for rent arrears.
13	Almost impossible through real estate agents.
14	Have just moved out of an unsuitable share house due to conflicts.
15	Appropriate is not a problem, however, affordability is an extremely difficult issue.
16	First emergency housing then 1 bedroom house.
17	There isn't any.
18	Not very affordable. You take whatever is cheap and sometimes that's not the best thing.
19	Having difficulty with transport.
20	Not appropriate.
21	Rents ridiculously high.
22	Rents too high.
23	Virtually none available and landlord's are not acting properly most of the time.
24	Very hard.
25	There is no way I could afford private housing on my income, not with food expenses, Hydro etc.
26	Difficult to find affordable housing in 'decent areas'. I am a pensioner.
27	Horrible – it is so hard to access and constantly worrying about my future is extremely stressful.
28	There was a lot of competition for rental properties when we were looking. We were lucky because the agent could choose out of dozens. They chose us as a professional couple and obviously discriminate against single parents and lower incomes.
29	It has transformed my life to happiness. It gave me self esteem.
30	Rents very high.
31	Very stressful finding houses.
32	Rents too high for what you get.
33	I am at ward 1E and can't get anywhere appropriate.

**Table 8 Is there anything else you would like to tell the government about**

### Tasmanian's current housing environment?

#	Comment
1	Rentals are not affordable and are too hard to get when you are homeless. You have trouble with debt and providing references, you can't get anything. Boarding houses are also too expensive and hard to get into.
2	Should spend more money on housing and less on Iraq war.
3	Waiting lists are too long for public housing.
4	It's too expensive.
5	Need more options.
6	Becoming too expensive.
7	Help move people out that can't afford everything.
8	Public housing needs more housed in outlying areas.
9	It's a problem that will never get fixed until more affordable housing is available.
10	The placing of families into lower socio economic areas is perpetuating an already difficult situation for all involved.
11	Hoping for a change of government.
12	Drop the rates so owners can make rent cheaper.
13	NOTHING - apart from fix it.
14	Housing will only supply 1 bedroom unit, when daughter needs to be able to stay and not allowed.
15	Needs some serious work.
16	Build more houses.
17	NO they are the government, if they can't work out the problem how can I. I am only a disabled pensioner.
18	It is utterly ludicrous that hard working people and innocent children can't live on above poverty lifestyle.
19	No.
20	The locations of public housing for single guys are bad, bad, environments. Mental illness rehab homes - we need more in the North.

## Survey 2 - RESPONSES TO SURVEY ON HOUSING AFFORDABILITY

This second survey was designed to be given to those who are currently **homeless**. The respondents are in crisis and short term housing funded by the Supported Accommodation Assistance Program.

### Question 1 Are you currently homeless?

From the 22 who responded to the survey 19 were homeless, 2 were not and 1 did not state if they were or not.

**Table 2 In your opinion what has led to you being homeless?**

#	Comment
1	Landlord asked us to leave.
2	Alcohol addiction and emotional problems that have not been addressed.
3	D.V. with my ex-partner.
4	My mum kicking me out.
5	Escaping from domestic violence.
6	Domestic violence because of children's father.
7	Because of grief and loss took up alcohol, trying to give it up and have to be out of Shelter soon.
8	DV.
9	The Australian Government's inability to keep its promises. I was granted permanent residency in 1972 - 'permanent' no longer means permanent in Australia.
10	Not enough housing options.
11	Between houses.
12	Staying at friends for a couple of days - got a house moving in Monday.
13	Staying with family - not working out - too many differences.
14	Arguments between family members. It takes too long to be able to get into a house through a waiting list with Housing.
15	Not homeless - having to move because rented place being sold.
16	Fell pregnant to a man who doesn't want the child and family disowned me.
17	Split up.
18	Left private premises. Housing refuse to house me - Housing claim \$500 damages to property needs to be repaid.
19	Owner has decided not to renew lease, 15 days to find alternate accommodation.

**Table 3 What things prevent you from being able to get out of homelessness?**

#	Comment
1	Very few homes to rent. Not getting Anglicare Bond.
2	Lack of/Low income. Bad credit rating. Accommodation too expensive.
3	To get house by Housing Department.
4	Not being able to find a house.
5	(couldn't read)
6	Public housing debt cased domestic violence therefore not on their list until 80% paid out.
7	Finding a house with 7 children. Housing Tas having a house for us. Affordable rent, they are too high.
8	Stop drinking, be positive, forget the past and future be kinder to them.
9	DV.
10	Immigration Dept says unable to work.
11	Not enough housing options.
12	Hard to get bond together, houses are expensive.
13	Getting Anglicare Bond?

14	Finances.
15	Waiting lists, lack of money.
16	Lack of money. Can't work due to being 7 months pregnant and until get single parents benefits cannot set self up.
17	No money for bond and rent.
18	No bond.
19	Housing Debt – Housing Dept refuse to house me. Finances – re private premises – I live on Newstart Allowance – this does not allow me to pay expensive rental properties.

**Table 9 Is there anything else you would like to tell the government about Tasmania's current housing environment?**

#	Comment
1	More houses for single mum and their children, more rent support, family friendly homes, amenities close to home – childcare places, child health nurses.
2	There is not enough government housing, especially for single people.
3	They should build more housing houses like 4 brm for large family and 3 brms and put down rent for low income earners so we can live happily with our children.
4	Try living in a shelter with daily pressure to look for houses which are not there and constantly being let down. It makes you depressed and stressed.
5	Take a look at things and make it more affordable to low income earners. Make it more affordable for low income earners to buy a home and stop real estates discriminating against people.
6	I think Tassie has lost a lot of help here in this State. I have lived here for 24 years. Get your gear together.
7	Should have a bit more care for their own people.
8	Something really has to be done.
9	The government should offer brilliant places for youth.
10	To help people with low incomes.
11	Extremely frustrating situation – I had my children removed from my custody because of being homeless. This left me extremely depressed many times with suicidal thoughts – client also lost all furniture in storage for 3 years due to homelessness debt (storage) \$3800 will be auctioned.

Tenants on low incomes within the private rental market are finding it increasingly difficult to find or maintain housing, particularly within the current climate of high rents and low vacancy rates. The latest data from the Real Estate Institute of Tasmania show the current vacancy rate is 2% state-wide (REIT 2007). High rents are placing increased financial stress on households, and the low vacancy rates are causing tenants to have to work harder to ensure their tenancies are maintained. These households are at greater risk of entering homelessness.

## ***2. The impact of lack of affordable housing on the broader***

## ***economic and social wellbeing of the Tasmanian community.***

The responses in the surveys show the impact that the lack of affordable housing has on people, with some paying the ultimate price of being homeless. Housing is fundamental to people's health and well-being, and ability to participate in the economic and social life of the community.

International evidence shows that if adequate housing assistance is provided it provides positive 'non-shelter' benefits through affecting affordability, tenure type, security of tenures, location and dwelling quality. Recent research has been conducted by Australian Housing and Urban Research Institute on how housing assistance affect employments, health and social cohesion (Bridge, C. et al AHURI March 2007). The study reviewed international and Australian evidence for links between housing and broader well-being outcomes. It found that housing assistance, depending on what form it took, had a range of positive outcomes, as well as some inconclusive outcomes and unintended consequences.

If affordable housing and housing assistance is provided it also has other positive outcomes that include:

- Improved other 'non shelter' well-being outcomes in poverty, health, education and social cohesion. The effects are more mixed for employment, security and wealth distribution.
- Housing assistance reduces after-housing poverty in Australia. However, it also increases rent and house prices, making housing less affordable for low-income households not in receipt of assistance.
- The quality and appropriateness of housing has a significant impact on health, especially for young, aged and disabled groups.

Public policies and programs that seek to ensure adequate and equitable access to affordable, appropriate and secure housing are a critical part of broader strategies to reduce poverty, improve living standards, and create sustainable communities. Improved economic and social outcomes for people cannot be realised without a solid performance in the area of housing.

Housing also plays an important role in facilitating access to employment, social, and other services. It is vital that the State Government continues to pursue a range of measures to increase the supply of affordable housing across the state, while providing improved mechanisms to protect low-income housing consumers and building the capacity of the community sector to enable it to take a greater role in the provision of affordable housing.

### ***3. The impact of a lack of affordable housing on the implementation and outcomes of other State Government programs.***

As stated previously, affordable housing is key to the implementation of positive outcomes to other State and Federal programs, be that health, education, disability, employment or the justice system. Many of Shelter's members administer programs funded by the Supported Accommodation Assistance Program (SAAP) - the key State and Federal program for prevention of homelessness - which includes emergency and short term accommodation and a range of support programs. For those programs to work effectively they need to be able to exit clients from their services into long term affordable housing.

As well as the lack of available affordable housing, the problem is compounded

for those groups with special and complex needs. Research shows that some groups are particularly vulnerable to problems with housing because they experience a range of complex issues in addition to low income. These groups included refugees, people with disability, people with serious mental illness, older people, indigenous people, young people and children. Existing housing services are limited, by resource constraints and by the shortage of affordable housing, in how they can respond to the additional needs of these groups.

#### ***4. The effectiveness and limitation of current State and Federal Government strategies and services to alleviate the impact of poor housing affordability in the Tasmanian Community.***

and

#### ***5. The appropriateness of current level of funding for such strategies and services.***

As the effectiveness and limitations of State and Federal strategies and services are linked to the level of funding it was decided to address these together. This section will outline the severe constraints placed on the public housing system due to reduced funding and a policy of only housing tenants with the highest need in public housing.

#### **Commonwealth State Housing Agreement**

Firstly, a broad overview. In 1993 the Industrial Commission called for reform of the main housing funding instrument, the Commonwealth State Housing Agreement (CSHA). The division for responsibility between the Commonwealth and the States was redrawn so that the States would be responsible for meeting the housing needs of all eligible people, including properly funded public housing, while the Commonwealth would be responsible for providing subsidies to all eligible low income renters, including public tenants, along with recurrent payments to the States to support the provision of social housing.

Under current arrangements in Australia, the Australian Government funds Commonwealth Rent Assistance through the income support system, shares responsibility for the CSHA and also supports access to housing through taxation arrangements and home purchase assistance. The States operate home lending programs and joint ventures with the private sector. Local governments oversee planning processes in some parts of the country as well as provide some community housing (SCRGSP 2007).

Over the past decade the level of funding for social housing has dropped by 30% in real terms (National Shelter, 2007). Between 1996-97 and 2004-5, CSHA base funding to the States by the Commonwealth fell by 18.4%. In the same period matching funding from the Tasmanian government fell by 19.3% (see Table below.)

Table 1: CSHA grants, Tasmania, 1996-97 – 2004-05 (\$'000)

	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05
<i>C'wealth base funding</i>	26,235	23,628	23,171	22,705	24,877	24,501	24,127	21,189	21,401
<i>State matching grants</i>	12,989	11,610	11,494	11,114	10,896	10,712	10,529	10,372	10,476
<i>Aboriginal Rental Housing</i>	696	696	696	696	696	696	696	351	696
<i>Community Housing</i>	1,033	1,647	1,621	1,598	1,576	1,561	1,545	1,534	1,553
<i>Crisis Accom.</i>	1,667	1,021	1,004	990	977	967	957	951	963
<b>TOTAL</b>	<b>42,620</b>	<b>38,487</b>	<b>37,986</b>	<b>37,103</b>	<b>39,022</b>	<b>38,437</b>	<b>37,854</b>	<b>34,397</b>	<b>35,089</b>

(*Housing: Building a Better Tasmania: The Bigger Picture*, 2007, p 4 Source: FACS 1999, 2000, 2001, 2002, 2003a & b, 2004, 2005 and FACSIA 2006)

Housing Tasmania is the central agency providing housing services for the Tasmanian Government. These services include: public housing, community housing, Aboriginal rental housing, SAAP and capital works and brokerage dollars for SAAP services, private rental and financial assistance for home buyers.

### **CSHA Debt**

Added to the pressure of the overall pool of funding of the CSHA reducing, Housing Tasmania's capacity to fully utilise all the funding from the CSHA is hampered by the fact that it is required to return \$17 million of funding to the Commonwealth each year in repayment for a housing debt incurred when the CSHA was provided as a loan instead of a grant. This means that each year almost 70% of Tasmania's grant is returned to the Commonwealth (Housing Tasmania 2003a). Despite years of lobbying to both the State - to move the debt to general debt - and to the Federal Government - to waive the debt to free up much needed funds to Housing Tasmania - by Shelter and other community organisations, the debt remains. This results in the effect that the building of new public by Housing Tasmania is not seen as viable, thus less affordable housing is available and there is less money for other programs.

The supply of public housing has fallen significantly. In 2001 there were 13,178 public housing dwellings By 2006 the number had fallen to 11,676 (SCRGSP 2007), a decline of 11.4%.

### **The tight targeting of public housing**

In addition to reducing funding and stock, Housing Tasmania also has a policy of targeting public housing to only those considered most in need. This has contributed to a dramatic increase in joblessness, single parenthood and disability amongst tenants (Hughes 2006), as well as growing levels of anti social behaviour, especially in areas of concentrated public housing.

Due to Housing Tasmania's policy of increasingly targeting public housing to those with the highest needs, very few people access public housing now unless they are on very low incomes or have other major problems. This has severely adverse impacts on the quality of life and opportunity in many public housing areas throughout the state. The cost of managing tenancies, and the rent which public housing authorities can charge, creates real problems for sustaining public housing. The outcomes of housing policies have created many areas now occupied only by people on low incomes. Shelter's members are increasingly concerned about the economic and social impact this is having on those communities.

Change is needed! We need to know what are the key factors which make sustainable and successful communities where people want to live, and how that can be applied to Tasmanian public housing estates. Urban renewal and social mix for public housing estates was thoroughly researched for Stage 2 of the Affordable Housing Strategy under the Master Partner Project which Shelter participated in. Although Stage 2 is no longer proceeding there is valuable data that can be built on that was generated from that project.

### **Commonwealth Rent Assistance**

Commonwealth Rent Assistance (CRA) is the main source of support available to low income tenants in the private rental market, and provides valuable assistance in meeting their housing costs. However, the current maximum rate of assistance is not enough to keep many households out of housing stress in the more expensive housing markets, including major cities and other growth areas (National Shelter 2007).

### **Affordable Housing Strategy (AHS) 2004-8**

Tasmania has to only recently been hailed as the State with the leading and most comprehensive affordable housing strategy in Australia. The AHS was launched by the then Tasmanian premier Jim Bacon. It was a comprehensive four state plan to be implemented between 2004 and 2008. While Stage 1 of the Strategy continues till mid-2008, and significant progress has been made with the building and of upgrading of public housing properties, the Strategy has stalled. The State Government did not commit to the continuation of the Strategy.

With the State Government's decision to discard the Stage 2 of the Strategy in favour of the Tasmanian Affordable Housing Limited (TAHL), this has been seen by Shelter and the community sector as a lost opportunity to tackle the affordable housing crisis facing Tasmania with a well planned systems-wide approach.

## ***6. Successful strategies in other Australian States that could be effective in improving affordability in Tasmania.***

Shelter Tasmania is a member of National Shelter which affiliates Shelter across all States and Territories, as well as the National Association of Tenant Unions and the Australian Federation of Homeless Organisations (AFHO). With this network of contacts Shelter Tas has access to a range of strategies from other jurisdictions and would be happy to recommend and supply a list of successful housing models for the Committee to visit.

However, it is worth noting that each State and Territory has a different housing system to Tasmania and must be considered in the context of particular State housing markets, legislation and planning systems.

Shelter and its members advise the Committee revisit the Tasmanian Affordable Housing Strategy 2003-8 and the range of initiatives it proposed for improving housing affordability in Tasmania. Several of those initiatives are still valid today, with some still to be addressed or implemented.

As mentioned in the introduction, Shelter, in collaboration with Anglicare and TasCOSS, are working on a Tasmanian community secure housing platform. The platform and the background papers supply a wealth of information on the Tasmanian and Australian housing systems. This will be released on October 16<sup>th</sup> 2007, and currently sector representatives are seeking meetings with all members of the MHA and MLC, including members of the Committee. The background papers are available on the Shelter web site [www.sheltertass.org.au](http://www.sheltertass.org.au)

## **7. Other matters**

Housing is not just about affordability. There are other key tenets that need to be considered. They include:

- o Affordable,
- o Adequate,
- o Secure,
- o Appropriate,
- o Well located, and
- o Sustainable.

Shelter members are concerned not only about the cost of housing but also the quality and location of that housing. Tasmania needs a higher standard of housing, especially in the private rental market. In 2001 private rental properties housed 17.3% of all households in Tasmania, and two-thirds of households living in housing stress were private renters ( Berry 2005, Housing Tasmanian 2003).

While private rental housing has historically been a transitional tenure – a stepping stone towards home ownership - this is changing. As housing prices have soared, the opportunity for many Tasmanians to become home owners has diminished. Vacancy rates in rental properties are consistently low, and low cost rentals are increasingly hard to come by. As the rental market tightens, and the demand for properties increases, so does the opportunity to offer poor and sub-standard housing.

Clearly, strong emphasis needs to be given to the private rental sector. In particular, Shelter believes it is crucial that there is a policy system which protects and supports low-income and disadvantaged Tasmanians.

The absence of minimum standards of accommodation in the private rental sector poses a real risk to the health and safety of a significant number of tenants, particularly those on lower incomes. Many tenants live in premises that are in a state of disrepair, and tenant workers around the state commonly deal with premises that are substandard. Too often "cheap" rent and substandard conditions go hand in hand, and it is unacceptable that the already inadequate supply of accommodation at the lower end of the market should be particularly subject to such conditions.

Shelter Tasmania believes that specific minimum standards regarding both tenancy management and the physical condition of rental properties should be developed to protect tenants. Uniform provisions would help to enable a stricter enforcement of standards, and would contribute towards improved living conditions for tenants. The basic right of tenants to appropriate living standards must not be ignored.

Ability to enforce such standards is also crucial if they are to be successfully converted from legislation to practice. Consumer Affairs and Fair Trading must be empowered to enforce standards through specific legislative provisions.

## **Recommendations**

Shelter recommends the following as strategies to improve housing affordability in Tasmania.

### **1. We need a Plan**

A whole of government approach must be developed involving the community, Local, State and Federal governments. There is a need for State and National Affordable Housing Strategies - that outline affordable, appropriate tenure security, and long term support mechanisms for low income and homeless Tasmanians - by the end of 2008.

### **2. Social Housing**

As part of the State Affordable Housing Strategy there would need to be an allocation of significant new resources for a social housing reform package to include:

- Increase in the supply of community and public housing to provide more affordable and appropriate housing for low income Tasmanians. Tasmania requires at least 1200 more social housing properties to be built over the next 4 years. The provision of 500 community and public housing properties is in addition to the 700 properties proposed by the Tasmanian Affordable Housing Company.
- Ensuring that Housing Tasmania operations are sustainable, viable and provide appropriate outcomes for their tenants.
  - Including that Housing Tasmania will no longer be responsible for the repayment of the CSHA debt, therefore freeing up \$17 million per annum to be utilised to adequately sustain the Tasmanian public housing system.
- That the State Government fund research into the issues of concentrated disadvantage and unemployment in our broad acre public housing, that will identify what structural changes are required to make these successful, sustainable mixed communities.
- Increasing the capacity for the development and expansion of community housing.

### **3. Supported Accommodation Assistance Program**

That the Tasmania Government increased the level of funding for the Supported Accommodation Assistance Program (SAAP) by a minimum of 30% (as recommended by the Australian Federation of Homeless Organisations). To enable the provision of more support workers, crisis beds and transitional support services for people who cannot access or maintain private rental housing or homeownership.

In addition Shelter members stress;

- SAAP would work much better if more exit points into long term affordable housing are available
- Need for more early intervention programs..  
Brokerage dollars need to be increased, especially in the NW, where there is a lack of 'front end' services.

### **4. Private Rental - Housing Support Programs**

That the Tasmanian Government maintain existing levels (post June 2008) and provide additional resources to the Private Rental Support Service (PRSS) and Private Rental Tenancy Support Service (PRTSS) aimed at assisting low-income Tasmanians to access and remain in the private rental market.

Additional funding for advocacy and support for tenants in the private rental markets so that they are able to effectively pursue their rights under the Residential Tenancy Act.

Minimum Standards are required for Private Rental properties.

- That a state-wide housing standard code be developed by Consumer Affairs and Fair Trading in consultation with; landlords, building industry bodies, Real Estate Agents, local government, and non-government and tenant advocacy organisations, and that these standards be incorporated into Tasmanian Legislation.
- That the standard code covers heating, fixtures, power, water, fire regulations, plumbing, security, mold and other concerns essential to habitable living standards.

#### **5. Homeownership**

Extend the eligibility for the proposed Shared Equity Scheme for home purchasing public housing tenants to include low income earners living in other tenure types.

#### **6. Other**

The State Government must require that any new large scale industrial projects, such as mining developments or pulp mills, factor in the economic and social costs of the requirements for workers accommodation on the local housing market and its impact on low and medium income households. Housing needs to be accounted for as a key infrastructure cost.

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**Attachments**

**Attachment A**

**Housing Affordability in Tasmania  
Survey for Tasmanians who are experiencing homelessness August 2007**

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The Tasmanian Parliament (Legislative Council) has formed a committee to Inquire into Housing Affordability in Tasmania. This is your opportunity to let people who can make change know about your housing experiences. We would like to ask you to answer the following questions; your responses along with others will be typed into a report that will go to the Committee. You do not have to give your name or other personal details.

However, if you would like to be contacted by the committee and be given the opportunity to talk about your housing experiences you can write your name and contact details and we will forward these on to the Committee, but only with your permission.

You do not have to answer all the questions; any response you do make is appreciated.

Are you currently homeless? Yes / No

In your opinion what has lead to you being homeless?

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What are the things that prevent you form being able to get out of homelessness?

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What are the services you have used to access housing, because of being homeless or because of high rents?

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How useful have you felt the above services have been?

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What has been your experience of accessing housing that is, affordable and appropriate to your needs?

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Do you feel you have choice about where you might live or what type of house you might rent? Yes / No

Comment: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In your opinion, what do you think the government is doing to help stop the impact of housing affordability in the Tasmanian community?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Looking at the current cost of renting, what do you expect to have to pay weekly for rent? \_\_\_\_\_

What is your fortnightly income? \_\_\_\_\_

Is there anything else you would like to tell the government about Tasmania's current housing environment?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**Optional:**

Following is an opportunity for you to be contacted, by the committee to talk more about your concerns regarding Housing Affordability in Tasmania, you do not have to give your name and contact details. If you do give your private information, your details will be removed from this form and given separately so that the information you have provided above remains confidential.

Name: \_\_\_\_\_

Contact Details: \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# Attachment B

## Housing Affordability in Tasmania Survey for Tasmanians who are renting - August 2007

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The Tasmanian Parliament (Legislative Council) has formed a committee to Inquire into Housing Affordability in Tasmania. This is your opportunity to let people who can make change know about your housing experiences. We would like to ask you to answer the following questions; your responses along with others will be typed into a report that will go to the Committee. You do not have to give your name or other personal details.

However, if you would like to be contacted by the committee and be given the opportunity to talk about your housing experiences you can write your name and contact details and we will forward these on to the Committee, but only with your permission.

You do not have to answer all the questions; any response you do make is appreciated.

Are you currently in rental accommodation? Yes / No

Are you in Private or Public rental accommodation? Private / Public

What is your fortnightly income? \_\_\_\_\_

What are you currently paying per fortnight in rent? \_\_\_\_\_

Does the rent you pay impact on the way you can afford to live? Yes / No

If yes how? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are there any services you have used to help find or keep your housing?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How useful have you felt the above services have been?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What has been your experience of accessing housing that is, affordable and appropriate to your needs?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are you happy with the standard/Location of your housing?

Yes / No

Comment: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In your opinion what do think that the government is doing to help stop the impact of housing affordability in the Tasmanian community?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Is there anything else you would like to tell the government about Tasmania's current housing environment?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**Optional:**

Following is an opportunity for you to be contacted to talk more about your concerns regarding Housing Affordability in Tasmania, you do not have to give your name and contact details. If you do give your private information, your details will be removed from this form and given separately so that the information you have provided above remains confidential.

Name: \_\_\_\_\_

Contact Details: \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Attachment C

**Table of respondents who are currently renting who are willing to be interviewed as part of the Inquiry**

Name	Contact Details
Names removed	

**Table of respondents who currently identify as being homeless who are willing to be interviewed as part of the Inquiry**

Name	Contact Details
Names Removed	

If you require further details including the names that did not have a contact number, please contact Pattie Chugg at Shelter Tasmania on (03) 62245488.