

May Budget Special:

WE NEED LEADERSHIP TO ALLEVIATE THE CRISIS IN HOUSING

FEDERAL BUDGET a lost opportunity on housing

The Federal Budget handed down its 12th budget on the 8th May 2007. The response from national bodies such as National Shelter, the Affordable Housing Summit Group, the National Housing Alliance Charities and others was unanimous, that the Federal Government has continued to ignore one of the biggest issues facing Australia, housing affordability. The Budget failed to deliver any hope to low and middle income earners struggling to find decent and affordable rental accommodation, public and community housing and those striving to purchase their first home.

The only area of housing relief came from extending rent assistance to Austudy recipients, which was welcomed help to students. Yet it has failed to address

the 30% of Australians who rent, with 750,000 of those crippled by high rents.

Shelter Tas and TasCOSS also expressed disappointment at the failure of the Federal Budget to tackle the housing crisis and urged the **State Government to use the next State Budget which will be announced on the 7th June 2007 to ease the housing crisis in Tasmania.** Recent data from the ABS ¹ showed that Housing prices in Hobart rose more than in any other capital city in the March 07 quarter (3.8%) adding pressure to the housing crisis in this state.

In response to the chronic shortage of affordable housing Shelter has written a submission to state treasury. (Attached is a summary of recommendation on housing and homelessness).
[see www.shelertas.org.au](http://www.shelertas.org.au)

1. www.abs.gov.au?AUSSTATS/abs@nsf?DetailsPage?6416.Omar

Other STATES and TERRITORIES LEAD THE WAY

The Northern Territory, Victoria and Western Australia Governments all showed a commitment to housing in their recent 2007/08 budgets in the face of declining investment by the Commonwealth Government through the CSHA.

Vic– The Budget committed an investment of \$510 million in public and community housing: which was more than the \$60 million at the election in November last year.

NT–Housing Intrastate Program \$113.4 million, \$100 million over 5 years for remote area housing and \$24.9m for essential services.

WA– budget announced an additional \$375 m funding boost for public and community housing, over the next 4 years: \$210 m on community housing, \$157m on public housing and \$9m on lodging housing. The budget for the bond assistance will also be doubled to help access in the private rental market.

THE CHANGING FACE OF HOMELESSNESS : Young Women and Children

Figures just released (16 May 07) indicate that despite low unemployment and economic growth the number of people seeking assistance from homelessness services in Australia is higher than ever. Teenage girls and young women are the most likely to use government homelessness services.

The Australian Institute on Health & Wellbeing (AIHW) report on the Supported Accommodation Assistance Program (SAAP) in 2005-6 reveals:

- 1 in every 126 Australians received help.
- Of 161,200 receiving help, 106,500 were clients & 54,7000 were accompanying children.
- Young females 15-19 yrs were the most likely to become a SAAP client (ie 1 in every 57 young women in this age group).
- Accompanying children aged 0-4 years also had a high rate of use (1 in every 57 children in this age group)
- Only 15% of those who are homeless on a given night receive SAAP assistance.
- More funding is needed for programs targeting crisis , intervention, prevention and pathways out of homelessness. For Federal and State SAAP reports see www.aihw.gov.au



Demographic Change in Tasmania: challenges and opportunities.

The State Government has established a Demographic Change Advisory Committee to plan for changes over the next 20 years in

areas such as: population size, regional distribution and the ageing of the population.

For the initial discussion paper and a range of reports on demographic change can be found at www.dcac.tas.gov.au Shelter has contributed to the consultations.

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Call for **action**

Enclosed with this edition is the **National Shelter's Policy Platform: Australian Housing — A Fair Share?**

In this Federal Election year, National Shelter has put forward a number of proposals to steer the housing system towards a fair share of housing resources, especially for Australians on low incomes. The proposals require all tiers of government to work in partnership to rectify the problems.

Even though the Australian housing system works well for most Australians, there is an increasing number of households suffering from unaffordable housing or homelessness. Almost 1.2 million households are in "housing stress", defined as having to pay over 30% of income in housing cost, and over 400,000 are in "extreme housing stress" paying more than 50 % of their income on housing.¹

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 1.2 million households, the 2001 census found that just under 100,000 persons were homeless.² These households represent the ultimate failure of our housing system.


Governments in Australia - Federal, State and Local - play a prominent role in the housing market and intervene in a number of ways:

through the tax system, with owner occupied housing exempt from capital gains tax, and negative gearing provisions applying differently to rental housing than other investments;

through the social security system, with over 940, 000 households receiving rent assistance;³

through the direct construction and management of social housing, accounting for 5% of the total housing market; and

through a range of regulatory processes, including urban planning, building regulation and tenancy law. The Commonwealth Government almost **spends \$4 billion per year**



If you do not have access to the internet and would like a copy of a document, please contact Shelter on (03) 6224 5488 and we will gladly provide the document for you.

on direct housing assistance and forgoes over **\$20 billion through tax** concession to owner-occupiers and investors in rental housing.⁴

Despite years of economic growth, it doesn't seem to be trickling down to those who need the most help. It is time for governments to assist the 15% of Australians struggling to get or maintain adequate shelter for themselves and their families.

For the full National Shelter Policy see www.shelertas.org.au

Footnote: ¹ 2006 Judith Yates and Michelle Gabriel 'Housing Affordability in Australia'. ² Chris Chamberland and David McKenzie Counting the Homeless. ³ 2007, Steering Committee for the Review of Government Service Provision 2007. ⁴ 2004 Judith Yates, the Housing System and Housing Finance, presented to Old Shelter 2004.

*Full reference details available from Shelter.

Green ways to cut cost in the home - Glenorchy provides lead for other councils.

Glenorchy residents in Tasmania have an opportunity to make substantial savings – both in energy and cash – by participating in an exciting new project, which aims to reduce greenhouse gas emissions by 1300 tonnes.

Glenorchy's Greenhouse Action Rebate Project, a partnership between Sustainable Living Tasmania, the Glenorchy City Council and the Commonwealth Department of Environment and Water Resources' Australian Greenhouse Office is offering rebates of up to 30% on energy efficiency products including solar hot water systems, heat pumps, insulation, AAA showerheads, curtains, draft-proofing and compact fluorescent lighting. Glenorchy businesses are also

coming on board to offer discounts.

Often people who rent houses think they can't do much to improve the energy efficiency and comfort of their homes. However, even smaller actions like putting in good draught-proofing, having full-length, insulated curtains and using compact fluorescent lighting and AAA showerheads can help to substantially reduce your power bill. Expressions of interest can be found at www.sustainablelivingtasmania.org.au. They are due by June 20, 2007. For more information, contact Helen Pryor at Sustainable Living Tasmania on 6234 5566 or helen@sustainablelivingtasmania.org.au