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Executive Commissioner
Resource Planning and Development Commission
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Shelter's concern is that the Integrated Impact Statement (IIS) does not adequately address the need to increase the supply of housing or address the risk of the impact on housing costs in the Bell Bay or wider Tamar Valley area and the subsequent impact this will have on low-income housing consumers in Tasmania.

Dear Executive Commissioner,

Shelter Tasmania is an independent not-for-profit housing peak organisation funded by the Department of Health and Human Services. Shelter represents the interests of low income housing consumers and housing providers across Tasmania.

Shelter membership consists of a wide range of organisations such as: tenants groups, community housing providers, homelessness and crisis accommodation services, local government, and a range of individuals and services interested in housing and homeless issues. The Council of Homeless Persons (Tasmania) is a subcommittee of Shelter.

Shelter Tasmania's main concern is that housing in such a key infrastructure area has not been addressed adequately; nor has the risk of how the demand for housing will impact on low income people in the area. There is currently a shortage of affordable housing across Northern Tasmania. The Integrated Impact Statement (IIS) does not provide enough detail on how housing for mill workers and support staff will be met. If this is not addressed there will be negative social and economic effects for low income Tasmanians to be able to access and maintain affordable housing in the area.

Context - there is currently a shortage of affordable housing.

- In 2006 housing affordability is at an all time low. There is pressure across all housing tenures: from the private rental market, homeownership and public housing. There is also a shortage of short-term accommodation for low income people such as pub tops, caravan parks and emergency accommodation such as Shelters.

Private Rental

- A greater number of Tasmanians are living in housing stress: in fact, there are 21,300 households in the private rental market with recent projections expecting this will increase. (Housing stress is the term used to describe the people on the lowest 40% of incomes who are paying more than 30% of their income in rent).
- Tasmania has seen constant rent increases and low vacancy rates in the private rental market. Private rent is 40-50% higher than 5 years ago.
- For the past six years the vacancy rate in the PRM has remained below 3%. In economic term this is a tight and competitive market.
- The latest statistics from the Real Estate Institute of Tasman show that in August 2006 the vacancy rate in Launceston is 2.9%

Homeownership

- Tasmania's Home Loan Affordability Index decreased significantly over the past year. In 2005 Tasmania was the third least affordable state, ahead of NSW and Queensland. This means mortgage repayments to income have increased so that housing in Tasmania is now less affordable than in Perth or Adelaide.

These have not been matched by a rise in wages or income. Tasmania has

- Lowest average earning
- Highest proportion of people dependent on Commonwealth benefits
- Highest proportion of long term unemployment

Public Housing

- Public housing waiting lists are over 3,000
- As of August 2006 the North of the state had 652 households on the waiting list for public housing.
- Dwindling number of, and ageing, public housing stock

Homelessness

- Services are seeing increasing numbers of Tasmanian forced into homelessness
- The 2001 ABS census noted there are over 2,000 homeless people in Tasmania. See www.shelter.tas.org.au

List of concerns from Shelter:

- The estimated 3,500 new workers arriving in the Tamar Valley at the peak of mill construction cannot be absorbed into current housing infrastructure without adding to current levels of homelessness.
- The impact statement has underestimated the number of household on the public housing waiting list.
- The concern is, where are the workers going to live? The proposed facility for 800 will not be enough and there is not enough detail given about the facility.
- Suggestions that workers live in caravan parks and hotels will adversely affect the tourism sector.
- Currently homeless people - or those at risk of homelessness - access these caravan parks and cheaper hotels for emergency, short term accommodation. Where will these people go when highly paid imported mill workers have taken all available beds?

- Low income people are already having difficulty accessing the rental market. An influx of working people will have a real impact on the already precarious supply/demand balance in the housing sector as a whole.
- Currently leases in the private rental market are short term for no more than a year, thus have no security of tenure past that time.
- There is simply not enough available affordable housing on the ground.
- It is not possible to absorb the estimated influx of people in the current market, without pushing existing people out?
- Additional accommodation demand will drive the price of private rental properties even higher, making private rental properties impossible for low income, and even middle income, people to access.
- Where will University students attending UniTas, TAFE, The Australian Technical College and the AMC live, given they a part of the low income sector?
- The estimated flow-on of additional workers in service industries such as bakeries etc will further compound the housing shortage, making it unviable for these lower paid workers to compete for accommodation in an already inflated market.
- There are insufficient skilled workers in the building industry to fill these vacancies created locally by the mill.
- Risk of additional homelessness in the Tamar Valley and Launceston and the impact and increase in costs this will have on Health, Community Services, and Justice Sectors, and the not-for-profit sector.
- Safety issues will be a consideration with a real increase in log trucks on the road.

Conclusion

Shelter members have considered the Integrated Impact Statement (IIS) and conclude the study does not adequately or realistically address the housing issue. They are particularly concerned about the social and economic impact the influx of workers to the areas will have on t low income and without secure long term housing. There is a need for a greater level of analysis, planning and risk assessment to the wider community than has been presented to date. As an essential form of infrastructure housing takes time to develop and build. The State Government is currently struggling to increase the supply of affordable housing on the ground. The proposed Affordable Housing Organisation to date has taken over 12 months to negotiating building new housing and there are still no new dwellings for people to live in yet.

Shelter calls on the Resource Panning and Development Commission (RPDC) to address the concerns outlined and ensure they are addressed and adequately planned for. If not, the impact of the proposed mill will have the unintended consequences of creating increased housing cost and pushing low income people into housing stress and possible homelessness. If these issues and consequences are not adequately considered or addressed there is a real dereliction of duty to towards all the people of Tasmania and particularly those on low income in the Tamar Valley region.

Yours sincerely,
 Pattie Chugg - On behalf of the Shelter Management Committee
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