

## Opportunity for State Government to Invest More in Affordable Housing

Thursday 13<sup>th</sup> April 2017

Tasmania's peak body for affordable housing and homelessness, Shelter Tas, has called on the State Government to use its unexpected windfall of \$60 million in this year's Stamp Duty revenue to invest in affordable housing.

"Tasmania's stamp duty windfall from the recent property boom is a real opportunity to increase the supply of affordable housing as an important part of Government investment in infrastructure development", Shelter Tas Executive Officer, Pattie Chugg said.

There are those who benefit from the housing boom and those who don't. Hobart's increasing cost of housing means that even more Tasmanians, buyers and renters, are being excluded from secure housing. The Rental Affordability Index consistently shows that Hobart is the least affordable city for rental housing in Australia after Sydney. While house prices here are less than on the mainland, with Tasmanians earning \$100 a week less on average, our housing is expensive for locals.

Tasmania has an urgent need for more affordable housing and a growing housing crisis. The shortage of affordable housing has been estimated to be some 12,500 homes and there is a growing demand for social housing with 3,900 current applicants waiting to be housed. Those most affected by the rising cost of housing are people who are living alone; such as pensioners and young people, single parents and young families who are finding it increasingly difficult to afford housing.

"It's hard to feel secure in your old age if your pension can no longer cover the rent, or to start a family, or to get on with your education and hold down a job if you can't find secure housing", Ms Chugg said.

This affects many key workers who provide essential services in tourism, education and care professions and who help keep the economy strong.

"Research shows a positive relationship between housing, education and workforce participation. A third of applicants for social housing are people under 24 years of age, these young people are our future. It follows that investment in affordable housing means an investment in Tasmania's future", Ms Chugg said.

The windfall to the State budget creates an important opportunity for housing Tasmanians and boost the impact of Tasmania's Affordable Housing Strategy. Shelter Tas agrees with Saul Eslake's advice that the State Government should invest this windfall in infrastructure (*House boom gives \$60m budget boost*, The Mercury 13/4/17). The funds could be used to establish an Affordable Housing Fund for Tasmania or go towards meeting shortfalls anticipated in the National Affordable Housing Agreement following changes mooted in the lead up to this year's Federal Budget.

"It makes sense that the \$60m boost to the State Government's budget on the back of rising house prices be re-invested back into social housing infrastructure to help those being squeezed out by the boom", Ms Chugg said.

### For more information and comment, contact:

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