

## Housing stress is rising up the income ladder - report reveals

**Embargoed until 9:00am Wednesday 17<sup>th</sup> May 2017**

Tasmania's peak body for housing and homelessness has welcomed the release of the latest Rental Affordability Index (RAI) report, but is concerned that housing stress is increasingly rising up the income ladder and affecting even more working households.

"This latest report confirms that rents in Tasmania are increasingly unaffordable for many people. Whilst we do have low rents compared to other states, we have to take into account that Tasmania also has the lowest incomes nationally. There are 14,600 households, almost one quarter of those on low incomes, experiencing housing stress in the State", Shelter Tas Executive Officer, Pattie Chugg said.

These findings reinforce Anglicare's recent Rental Affordability Snapshot, which showed that only 2% of Tasmanian properties were suitable for single parent families. It also reflects the growing numbers of families with children seeking help from homelessness services, with one in five clients now being children under 9 years of age.

"The more households have to pay on rent, the less they have to put towards other essential items, which leaves people to make very cruel choices. Increasing housing stress impacts on labour force participation and reduces the productivity of our economy. It is both a social and economic issue of national significance," Ms Chugg said.

Greater Hobart has seen a decline in affordability since the last RAI release in November 2016, but is not the only city affected. Couples and particularly single pensioners are finding the market increasingly unaffordable in Launceston, Burnie and Devonport.

"In such a competitive and unaffordable rental market, lower income households are being forced out of the inner city into outer areas where there are fewer jobs and poor transport options, thus entrenching their disadvantage.

"We welcome measures taken in the Federal budget to secure funding for existing services, but we have not seen the scale of investment needed to house the growing number of people in housing stress or experiencing homelessness each night," Ms Chugg said.

With the State budget due on May 25, Shelter Tas has called for the \$60m in Stamp Duty revenue to be invested in affordable housing and continued support for Tasmania's Affordable Housing Strategy.

"We know that the biggest cause of homelessness in Tasmania is the lack of safe and affordable housing and if we don't have a strong response for those excluded from the market, the budgets will have failed," Ms Chugg said.

The RAI is a partnership between National Shelter, SGS Economics & Planning and Community Sector Banking. Go to [www.sgsep.com.au/publications/rental-affordability-index](http://www.sgsep.com.au/publications/rental-affordability-index) to see the full RAI report and interactive map.

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