

Funding certainty welcomed, but budget could go further

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Shelter Tasmania, the State's peak body for affordable housing and homelessness welcomes the 2017 budget, but urges the government to go further.

"The good news is that Australia now has a commitment to a permanent national funding agreement that rolls together services and programs and retains the funding in both the existing major housing and homelessness agreements," Shelter Tas Executive Officer, Pattie Chugg said.

The proposed new housing and homelessness agreement will include the existing \$375 million over 3 years from 2018-19, and roll-in the current \$115 million of annual homelessness funding provided under the National Partnership Agreement on Homelessness. This funding will be ongoing and indexed, to provide and maintain certainty to frontline services that help Australians who are, or at risk of becoming homeless.

"This commitment is welcomed by Shelter Tas and its members, who have been consistently lobbying over the past few years, just to secure funding for homelessness services. With this certainty, services can now concentrate on providing housing and support to the vulnerable members of our community," Ms Chugg said.

The good news is that the budget also provides opportunities to increase much needed community housing stock through a bond aggregator model.

The negotiations for this new agreement paves the way for a new start. This could involve initiating planning that promotes affordable housing (this is very timely, as the State Government is reviewing the planning system), as well as finally removing Tasmania's public housing debt.

The bad news is that the Federal Government has not included the scale of new investment urgently needed to house the growing number of people in housing stress or at risk of homelessness each night. Nor has it properly reduced tax incentives for investments that are driving house prices up. Shelter Tas is also concerned about any cuts to welfare payments that people desperately need to pay their rent.

"We need clear accountability measures for how this range of new measures will ensure there is more affordable housing available to relieve the housing crisis. If we don't have a strong response for those excluded from the market, the budget has failed," Ms Chugg said.

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