

Overview

Housing: The Essential Infrastructure

Australia faces an unprecedented shortage of affordable housing. Record numbers of Australians are experiencing rental and mortgage stress. In Tasmania the lack of affordable, appropriate and secure housing directly impacts our community's health, education and wellbeing.

Housing is essential social and economic infrastructure. It is the bedrock for people's wellbeing, participation in work and community activities, and underpins the care of children. No-one deserves to live in housing stress, poverty or homelessness.

Since the last Federal Election rents have increased dramatically, outstripping incomes and driving up the cost of living in Tasmania. Many people with low to moderate incomes are now paying 30 to 60% of their income on rent in the private market.¹ Record housing prices in Tasmania now leave many people with impossible choices between essentials, such as food and heating, or keeping their home.

While the booming housing market in Tasmania has been good for some, many ordinary Tasmanians are struggling to afford to rent or buy a home. Over 14,000 Tasmanian households are in housing stress,² and 120,000 live in poverty.³ The social housing waiting list is at 3,249 applications, and the average time to house priority applicants is more than a year (56 weeks).⁴ For many Tasmanians, owning their own home is out of reach.

It makes good economic sense to meet the housing needs of all Tasmanians. Studies have shown that for every \$1 spent on housing to address homelessness, governments can save \$2- \$13 in health and justice costs alone.⁵

With effective national leadership and a co-ordinated approach to housing policy, we can fix our broken housing system so that everybody in Australia has a safe and affordable home.

Shelter Tasmania calls for:

Priority 1: Retirement of Tasmania's public housing debt to the Australian Government

Priority 2: A National Housing Strategy to deliver more affordable rental housing

Priority 3: Additional Federal funding for emergency accommodation and support services to end homelessness by 2030

Priority 4: Reform of the tax treatment of housing to ensure our housing system works for everyone

Find out more:

shelertas.org.au | everybodyshome.com.au | shelter.org.au

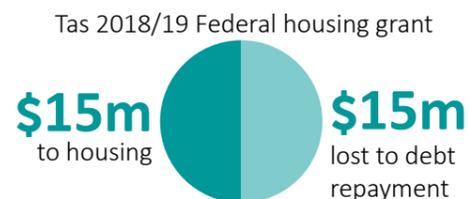
Priority 1

Retire Tasmania's public housing debt

WE NEED: Retirement of Tasmania's public housing debt to the Australian Government

Every year Tasmania's housing debt repayment consumes half the Federal housing grant received by the State Government. While we continue to lose millions in debt repayment each year, Tasmania's system of public and community housing is in crisis. Tasmania needs all our Federal funding to deliver affordable and social rental housing.

This lingering debt from the 1980s currently stands at \$157 million. Repayments this year will total \$15 million, including \$7 million in interest. Without action now, Tasmania's housing system will carry the burden of debt until 2042.



Debt repayments halve the State Government's capacity to invest in new public and community housing. This investment is crucial because this housing stays affordable for people in the long term.

With skyrocketing rents and levels of homelessness not seen before, retirement of Tasmania's housing debt has never been more urgent.

Shelter Tas calls on Federal candidates to campaign to retire Tasmania's historic housing debt.

Priority 2

National Housing Strategy

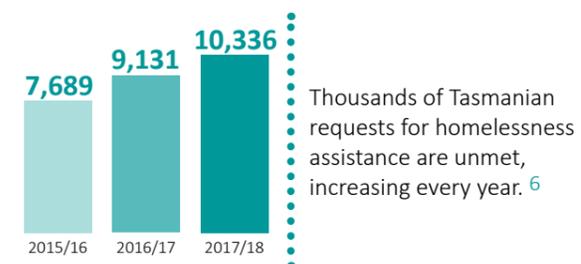
WE NEED: A National Housing Strategy to deliver more affordable rental housing

Australia needs a National Housing Strategy that guides development of all types of housing as essential infrastructure. At present we have no coherent Federal direction for housing. Commonwealth-State housing agreements have been reduced to fragmented and ineffective welfare agreements.

A vital shift in thinking is needed to ensure appropriate and adequate housing for the whole of our growing population including, but not limited to, low income Australians.

A national strategy for affordable housing would include economic opportunities and urban and regional development.

A National Housing Strategy will complement and boost the strategies already developed by the States and Territories, such as the *Tasmanian Affordable Housing Strategy 2015-25*.



In Tasmania, Shelter Tas calls for at least 10% of housing to be not-for-profit social housing. Housing ends homelessness. A transparent and accountable National Housing Strategy is needed to increase the supply of social housing across Australia.

Shelter Tas supports National Shelter's call for a National Housing Strategy to build a better housing system for all Australians.

Priority 3

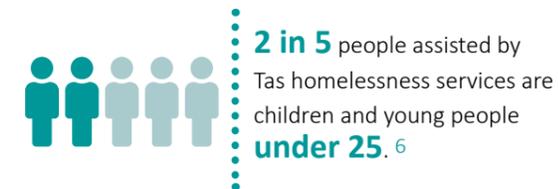
Funding to end homelessness

WE NEED: Additional Federal funding for emergency accommodation and support services to end homelessness by 2030

Homelessness is a serious and increasing problem in Australia. In Tasmania, the 2016 Census reported over 1,600 people experiencing homelessness and nearly 1,000 people at risk of homelessness. We know these numbers are much higher now.

Most homelessness is hidden. Only 8% of people experiencing homelessness are sleeping rough. Other people are in shelters, couch surfing or in overcrowded, insecure and improvised dwellings.

Homelessness affects people of all ages. Nearly one in five Tasmanians experiencing homelessness are older than 55. ⁷



Tasmania urgently needs more investment in homelessness services and crisis accommodation so no one is turned away from these essential services.

Groups, including people escaping family violence, experiencing mental health challenges and Tasmanians with disability, need both housing and specialist support.

To prevent and reduce homelessness, everybody needs adequate income, appropriate support, and housing that is affordable, safe and secure.

Shelter Tas calls on Federal candidates and parties to increase funding to homelessness services in order to end homelessness by 2030.

Priority 4

Tax reform for housing

WE NEED: Reform of the tax treatment of housing to ensure our housing system works for everyone

The Federal Government currently spends \$11.8 billion in subsidies for property investors through negative gearing and capital gains tax exemptions - almost **double** the amount spent on social housing, rent assistance and homelessness combined. ⁸



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Across Australia, the affordable housing shortage drives people to homelessness and traps them there. But there are things our government can do to fix our broken housing system.

National Shelter has developed tax reform proposals that could generate \$2.65 billion per year to fund investment in a housing system that works for everyone:

- Wind back the negative gearing and capital gains tax concessions to investors
- Use these savings to invest in the much needed social and affordable rental homes- at least 8,000 in Tasmania and 500,000 nationwide

Shelter Tas supports the **Everybody's Home** campaign for a better, fairer housing system for everyone. Every Australian needs a place to call home.

Shelter Tas supports National Shelter's proposals for tax reform and calls on Federal candidates and parties to commit to reforming the tax treatment of housing.



Shelter Tasmania

Shelter Tas is the peak body for housing and homelessness services in Tasmania.

Shelter Tas is an independent, not-for-profit peak organisation representing the interests of low to moderate income housing consumers, Community Housing providers and Specialist Homelessness Services (crisis and emergency shelters) across Tasmania. All funded homelessness services and all registered Community Housing providers in Tasmania are members of Shelter Tas. Shelter Tas holds regular meetings with homelessness services and Community Housing providers across the state, and with our interstate and national colleagues including National Shelter, Homelessness Australia and the Community Housing Industry Association.



Contact

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Find out more about our priorities for the 2019 Federal Election: www.shelertas.org.au

Sources

- ¹ *Rental Affordability Index, Nov 2018*. National Shelter, Community Sector Banking, Brotherhood St Laurence and SGS Economics & Planning
- ² Housing stress: where households pay more than 30% of their income on housing
- ³ *Poverty in Australia 2018*, Australian Council of Social Service and University of New South Wales
- ⁴ *Human Services Dashboard Statistics September 2018*, Department for Health and Human Services
- ⁵ Bennett V, Young A (2013). *Cost Benefit Analysis of the RESOLVE Program*. Mission Australia. Brisbane; Witte, E. 2017 'The case for investing in last resort housing', MSSI Issues Paper No. 10, Melbourne Sustainable Society Institute, The University of Melbourne; Wood, L., Flatau, P., Zaretsky, K., Foster, S., Vallesi, S. and Miscenko, D. (2016) *What are the health, social and economic benefits of providing public housing and support to formerly homeless people?*, AHURI Final Report No. 265, AHURI, Melbourne
- ⁶ *AIHW Specialist homelessness services annual reports 2015-16, 2016-2017, 2017-2018*, Supplementary Tables, Tasmania
- ⁷ Homelessness Estimates, Census 2016
- ⁸ Everybody's Home, April 2019