

Shelter Tas welcomes boost to social housing

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Shelter Tas, the peak body for housing and homelessness services in Tasmania, welcomes Premier Gutwein's *State of the State* address that announces an additional \$22 million to be spent on building new affordable social rental homes.

"The proposal puts to good use the funds made available by the waiver of the State's housing debt to the Commonwealth. This will mean approximately 220 new homes for Tasmanians on low to moderate incomes," Shelter Tas Chief Executive Officer, Pattie Chugg said.

"This injection of \$22 million is a much needed boost to social housing supply, meaning more housing that stays affordable in the long term for Tasmanians in need. The lack of affordable housing is the number one cause of homelessness in the State. These new properties will enable people to access a safe and affordable home sooner," Ms Chugg said.

Affordable housing has been declining in Tasmania over the past few years, while the State's population and tourism have grown substantially. Hobart is now the least affordable Australian capital.

"The increasing gap between income and housing costs now makes rent unaffordable for half of all rental households. In this current private rental market even people on moderate and average incomes are struggling with the cost of renting, and it is much worse for those on the lowest incomes. This announcement will deliver much needed housing that people can afford. Housing is essential infrastructure, and without it people cannot achieve their goals in health, education, employment and all the essentials of life," Ms Chugg said.

Shelter Tas also welcomes the announcement of the extension of the State Government's agreement with community housing providers to 2040. The transfer of management of 2,000 more public housing properties to the four community housing providers increases their capacity to leverage additional finance and deliver more social housing across Tasmania.

"These announcements align with what Shelter Tas advocated for in our Budget Submission 20-21, and are positive steps towards meeting the housing needs in our community. With 8,000 Tasmanian households already in housing stress, there is a dire shortage of affordable private rental housing. This announcement is very welcome news.

"In these announcements, Shelter Tas is seeing progress towards our goal of making 10% of housing in Tasmania social and affordable housing, which will reduce housing stress and homelessness across the State. With our members, we look forward to continuing to work constructively with the Tasmanian Government on increasing the supply of social housing as a permanent asset that will stay affordable for tenants in the long run," Ms Chugg said.

For more information and comment, contact:

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The Shelter Tas Submission to the State Budget Process is available at:

https://www.sheltertass.org.au/wp-content/uploads/2019/12/Budget-Submission-20-21_FINAL.pdf