

19 February 2024

Solving Tasmania's housing crisis will be central to the next term of government:
an open letter to all candidates for Tasmania's next parliament.

Shelter Tas, as the peak body for housing and homelessness in Tasmania, calls on all parties and candidates to commit to building Tasmania's future through the following:

- 1. Taking a strong stance on reversing Tasmania's housing crisis** by committing to affordable and social homes in all areas of the State, by:
 - ***Making a long-term commitment to increase the supply of community and public rental housing to at least 10% of all dwellings*** to meet the level of need;
 - ***Increasing the investment in social/community housing***, as the State Government's original commitment of \$1.5B for 10,000 homes (announced 2 years ago) is inadequate to meet the supply targets in current market conditions;
 - ***Urgently reversing the drift of homes to short-stay accommodation***; and
 - Immediately ***creating incentives to bring vacant homes back into the rental market***.
- 2. Increasing funding for homelessness services by 20%**. These services are on the front line of the housing crisis, facing increased pressures and high levels of demand. This essential funding will enable services to help more families move out of cars, tents, and hotels and into safe and secure permanent housing. This funding will match the recent 2024 commitments by the Western Australia and Queensland State Governments.
- 3. Ensuring renters have access to safe, affordable, and secure homes with rights and protections that reflect renting as a long-term tenure**. This includes setting a timeline to strengthen, reform and modernise the *Residential Tenancy Act 1997* to improve conditions in Tasmania's rental market.
- 4. Meeting the housing needs of women and children, and young people, who are currently spending the longest time waiting for support and social housing**. These groups currently experience the highest risk of the lifelong consequences of homelessness, violence, trauma and housing insecurity.
- 5. Strengthening the housing and homelessness sector by delivering sustainable core funding for Shelter Tas**, to a level that is adequate for our work and is comparable to other similar peaks.

Shelter Tas also joins other community sector peak organisations to support the wider call for adequate indexation across the community sector. The current base of 2.25% is inadequate to close the increasing gap between funding received and the rising costs of properly delivering community services.

Introduction

Safe, secure and affordable housing creates a foundation for change and opportunity for everyone, where they can be happy and connected to the community.

Housing is the number one cost of living issue for Tasmania. When the next Tasmanian Government is elected in March 2024, its most important challenge will be solving the housing crisis for all Tasmanians – especially renters, those on low incomes, and the increasing number of people experiencing or at risk of homelessness.

Shelter Tas supports the current 20-year *Tasmanian Housing Strategy 2023-43*¹, but we know more is needed to end the housing crisis and ensure all Tasmanians have the homes they need to achieve opportunities in education, work, social participation, health and wellbeing. The demand for rental homes, both private and social, is greater than the supply. Since the Census in 2016, the Tasmanian population has grown by 9.3%, while the number of private dwellings has increased by only 7%. CoreLogic has reported that Tasmania’s wages have seen the lowest increase in the country over the 20 years to 2022, and house purchase prices have seen the highest increase over that period.² The housing crisis is most acute for people on lower incomes, who mainly live in the private rental market.

For too long, too many Tasmanians have lived without safe and affordable housing. The waitlist for social housing is over 4,600 households and, on average, even people with the highest priority applications have to wait more than a year (over 80 weeks) for a home.

According to the most recent ABS Census figures, homelessness in Tasmania increased by 44.8% in the five years since 2016. Troublingly, the Census homelessness data shows that 569 young Tasmanians aged 18 and under were without a home on Census night, and of these, 325 were children under 12.

We will need all successful candidates who are members entering the incoming State Government to join our vision for safe, secure, affordable and appropriate housing for all, especially for Tasmanians earning low incomes.

Background information on key priorities

1. Take a strong stance on reversing Tasmania’s housing crisis by committing to affordable and social homes in all areas of the State, by:

- making a long-term commitment to increase the supply of community and public rental housing to at least 10% of all dwellings to meet the level of need;
- increasing the investment in social/community housing
- urgently reversing the drift of homes to short-stay accommodation; and
- immediately creating incentives to bring vacant homes back into the rental market.

Affordable, appropriate and secure housing underpins our economy’s ability to attract and retain a skilled workforce. The shortage of affordable rental housing directly undermines our community’s

¹ [Home | Tasmanian Housing Strategy \(homestasmania.com.au\)](https://www.homestasmania.com.au)

² https://www.corelogic.com.au/news/how-much-has-house-price-growth-outstripped-growth-wages?utm_medium=email&utm_source=newsletter&utm_campaign=20211122_propertypulse

health, education and overall wellbeing.³ Addressing this shortage will deliver a boost for health, employment and community building across the state. Recent data from Homelessness Australia shows a shortage of affordable social housing in all Tasmanian electorates.⁴

Shelter Tas would like to see a commitment to ensuring there is affordable housing *in all areas of the state*, with measures to ensure that local government planning schemes and infrastructure (power, water and sewerage) do not delay the delivery of affordable and social housing.

Tasmania's deepening shortage of affordable and social housing has serious implications for the people and families affected by insecure housing and homelessness, and for the Tasmanian community as a whole. With persistently high levels of unemployment and underemployment, it will be harder for more and more working Tasmanians to find a home they can afford. Many low-income and vulnerable Tasmanians will be left further behind – facing poverty and hardship – and at risk of becoming homeless.

2. Shelter Tas calls on all parties and candidates to support a 20% increase to Tasmania's homelessness and crisis housing services.

Tasmania's homelessness services need an urgent boost to their funding. Over several years, funding for Specialist Homelessness Services and housing has declined in real terms, while homelessness and crisis housing services are facing levels of demand that have never been seen before. In 2022-23, 6 700 people were assisted in Tasmania (the most common reason given for seeking assistance was Housing – 48%, compared to the national average of 38%) yet on any given day 37 requests for help go unassisted.

There is an increasing gap between funding for services and the actual costs of wages and operations. Indexation at a level of 2.25% has lagged behind inflation and rising costs. Services simply do not have the operational funds they need to undertake their essential work effectively and safely. Other Jurisdictions have recognised the need to fund homelessness and crisis services adequately, and Queensland and Western Australia have both boosted their sectors with a 20% increase in funding.

3. Shelter Tas calls on all candidates to ensure renters have access to safe, affordable, and secure homes, with rights and protections that reflect renting as a long-term tenure.

Across the state over 40 000 Tasmanian private renter households face the challenges of a fiercely competitive private rental market – rents rising much faster than people's incomes, low vacancy rates, homes of poor standard, insecurity, and the well-grounded fear that asking for even modest repairs can place them at risk of losing their homes.

Data consistently shows that Hobart remains the least – or joint least – affordable capital city for renters and the 'rest of Tasmania' region remains the least affordable in the country.⁵ People needing affordable rentals are facing a crisis of availability and affordability in all regions of Tasmania. The Rental Affordability Index (RAI) reports that in Tasmania rents have increased by over 60% in the last 10 years, far outstripping people's incomes and capacity to pay.⁶

³ Productivity Commission (2016) *Productivity Commission Study Report, Overview Study Report*, Canberra, November 2016 accessed 5/12/16 at: <http://www.pc.gov.au/inquiries/current/human-services/identifying-reform/report>

⁴ <https://everybodyshome.com.au/heat-maps/>

⁵ https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf

⁶ https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_RAI2023-Website.pdf

4. Shelter Tas calls for additional actions to ensure the housing needs of women and children, and young people are met across Tasmania.

Groundbreaking research published last year (*Somewhere to Go: Meeting the needs of women & children in Tasmania*) shows that Tasmania had over 6 times the national rate of women being turned away from crisis accommodation in 2021-22, and only 6% of women with long term housing needs are having those needs met, compared to 18% of men. Sixty-three per cent of female applicants on the Housing Register need multiple bedroom homes, compared with thirty per cent of male applicants. See the full report here [Somewhere to Go Report](#).

Young people are the age cohort most affected by homelessness. In Tasmania in 2021, the ABS Census found that 25% of people experiencing homelessness were aged 12-24, and another 14% aged under 12. That is, 39% of Tasmanians experiencing homelessness on Census night 2021 were aged under 24. Evidence shows that experiencing homelessness early in life increases the risk of homelessness later on.

5. Shelter Tas calls on all candidates to strengthen the housing and homelessness sector by delivering sustainable core funding for Shelter Tas, to a level that is adequate for our work and is comparable to other similar peaks.

With the rising pressure on the housing market and the introduction of a range of initiatives and services in response to growing demand, there has been a significant increase in the work of Shelter Tas in recent years. Our core funding has not kept pace with this additional workload. In fact, our funding has not increased for 13 years. We call on your support for an additional \$275 000 per year to be added to our core funding.

Shelter Tas seeks your support by making housing a key priority in your election campaign.

For more details on our priorities, please see [Shelter Tas' Budget Submission 2024-25](#), [Somewhere to Go Report](#) and [Report on Short Stay Accommodation](#).

With Regards,



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Shelter Tas is the peak body for housing and homelessness services in Tasmania. We represent the interests of low to moderate income housing consumers, Community Housing Providers and Specialist Homelessness Services (crisis and emergency shelters) across Tasmania. All Tasmania's funded homelessness services and community housing providers are members of Shelter Tas.