

HOUSING AFFORDABILITY IN TASMANIA SELECT COMMITTEE REPORT

[12.15 p.m.]

Mr MARTIN (Elwick - Motion) - Madam President, I have been caught napping here. I was still writing my speech and I was expecting the previous debate to go on a bit longer. I move -

That the report of the Select Committee on Housing Affordability in Tasmania be considered and noted.

Madam President, I would like to start, like other speakers, by taking this opportunity, the first opportunity I have had, to congratulate you on your election to the presidency. A lot has been said about the fact that it is creating history as the first female President of this Chamber. That is really important, but I think the much more important thing is that the reason you are President is in recognition of your ability.

Your ability is something I have recognised for many years through your career in local government. We go back a fair way there, especially when your term as President of the Local Government Association was one of the tumultuous times in the history of local government with the amalgamation. I think that was the first time that Tasmania saw the outstanding ability of Sue Smith. It is something that they have continued to see in your involvement in this Chamber since you have been a member of this Parliament.

Likewise I would also like to take this opportunity to congratulate the ex-President, the Honourable Don Wing, who has really set the highest standard possible. In the four years I have been in this Chamber I have found your performance as President to be absolutely outstanding - very thoughtful deliberations but firm at the same time. You have had an illustrious career so far. And on a personal note I would like to thank you for the assistance you have given me as a new member in your role as President and I would like to say how much I am looking forward to the next few years with your contributions from the Floor of this Chamber.

I would also like to congratulate my two colleagues, the honourable member for Huon and honourable member for Rosevears, on their re-election. Both are absolutely superb results. Both results I think reflect the high standing in the community that they have established and which is really a reflection of the hard work that they have done and the representation they have given to their respective communities.

Madam President, I am hoping to open the debate on the Legislative Council Select Committee on Housing Affordability in Tasmania. This process was born on 10 July 2007, almost 12 months ago, when I moved to set up the select committee. In establishing the committee I said these words:

'We now note that there has also been a deep dark side to this housing boom. Housing affordability in Tasmania is at an all-time low. Indeed the entire nation is experiencing a housing affordability crisis, but in Tasmania we continue to have the lowest incomes in the nation and some of the highest relative increases in property prices'

That was the situation at that stage. If anything the housing crisis and the homelessness crisis has gone from bad to worse, not just in Tasmania but all over this country. It has been exacerbated by

the escalation in interest rates. At this time last year I said I believed a select committee was the appropriate forum in which to consider the extent of the affordable housing strategy Tasmania. I think the work the committee has done has indicated that to be true.

I was very pleased at the time that the Honourable Doug Parkinson, as Leader for the Government, indicated the State Government's support for the work of the select committee. The committee called for public submissions during August 2007, placing advertisements in all the Tasmanian daily newspapers. Invitations to participate in the inquiry were sent to a number of stakeholders. Altogether we received 51 submissions. We received evidence from over 80 witnesses and we conducted hearings throughout September and October in particular, mostly in Hobart but also in Launceston, and we conducted hearings in Brisbane, Sydney and Canberra. The committee met on 22 occasions between July 2007 and April 2008. Quite a lot of hours were put in by all members of committee. I would like to convey our thanks to a large number of people who assisted in the preparation of the report and, most importantly, to all of those who gave their time to appear before the committee and who made submissions to it because without that input the committee's job would have been much more difficult and much less rewarding. The committee is really hopeful that the input will be rewarded by actions taken by the State Government along the lines recommended in this report.

I do not intend to spend hours going through the report which I could do with a 160-odd page report, but I will try to summarise it as briefly as I can and other members of the committee might like to elaborate in a bit more detail.

Basically, what we have in this State is a housing crisis which is common throughout Australia. What we have also, because of the housing crisis, is the homelessness crisis. They are two separate issues but very inter-connected. The reason we have the housing crisis is that we had a real estate boom at the start of this century, probably unlike any Tasmanians have seen in living memory. Real estate booms interstate were common during the 1970s, 1980s and 1990s but Tasmania generally missed out on the skyrocketing booms that were seen interstate. It is not rocket science to know what caused the real estate boom; it is grade 7 economics. Basically, there was a huge demand for Tasmanian real estate that far exceeded the supply of available Tasmanian real estate. A simple demand-exceeding-supply equation. The real estate boom was fantastic for a lot of people and for the State as a whole, there is no doubt about that; the real estate boom was a significant important event in the history of Tasmania and the Tasmanian economy. There were many winners.

The positive side of the real estate boom was that the many winners were those who were lucky enough to own real estate at the start of the boom, and that is the majority of Tasmanians. They were huge winners because what they witnessed was almost overnight, in the space of a few years, a huge increase in their personal wealth. What that increase in personal wealth enabled people to do was to buy a better house, to renovate their existing houses, to buy a car, to buy DVDs, to buy by utilising their increased equity, and in some cases to buy investment properties. Because of that, because of this increased wealth and people being able to access that increased equity, it meant that there was a huge pool of money that flowed throughout the Tasmanian economy. The biggest winner was the Tasmanian economy as a whole.

So there is no doubt that, overall, the real estate boom is a very positive thing for Tasmania and in particular our economy and our people, but there is a dark side. That is what I referred to on 10 July last year. The dark side is that there were losers as a result of the boom. There is probably another pool of losers that has happened since we started the select committee process and that has been caused by the huge escalation in interest rates. I am talking about the group of people who

borrowed very heavily and now find themselves struggling with the increase in interest rates and the fact that the boom has slowed to an extent and prices are not going up as much as they were. A lot of that happened after we started the process and after we received evidence so the report does not go into that issue as much as we probably would if we did it today. The real losers that we spent a lot of time focusing on were those Tasmanians who now find it very much more difficult to ever aspire to the great Australian dream of owning their first home, and that is an increasingly large pool of Tasmanian people.

I think I mentioned in this Chamber when speaking about housing issues that right back at the start of the boom I had a friend who had part-time work whose husband was a full-time employee but in a low-paying job and they had two teenage daughters. They were evicted from the house only because the owner was moving back in; they had been good tenants. They were struggling to find another place in the rental market and I suggested to them that they buy a place. They thought at that time that they would not be able to do that as they did not have enough deposit or enough income. I sat down with them and went through the exercise by opening a few doors for them and, to cut a long story short, they were able to buy a home, a nice little cottage at Berriedale for \$160 000. The problem today is that that cottage that was \$160 000 then and was affordable for those people, today would be worth about \$280 000. I often think how that same family today in exactly the same situation would probably have no hope of buying a house. They are typical of this pool of people that have had this problem created for them and this is where the whole problem flows from.

I think it is a role for government and for the community to concentrate on facilitating that group of people who are now struggling to aspire to home ownership. We need to come up with strategies to enable them to buy the first home because it is important for them. It is also important because if we do not enable them to buy their first home it means they are stuck in the rental market and this is where the housing crisis really occurs and, as a result of that, the homelessness crisis, which I will come to in more detail in a moment.

In the report there are a lot of strategies. There is a lot of evidence received from what I would call the development sector, the Property Council, the Housing Industry Association, the Real Estate Institute, the Master Builders Association, the architects, the planners and so on, and a lot of their strategies were focused on enabling people to buy their first home so a lot of the report focuses on that. They are important strategies because we have to try to get those people out of the rental market into their own home. I do not think there is any magical solution that we have been able to come up with that is going to get everyone who wants to buy a home into the position to do so. That means they are stuck in the rental market.

The private rental market, as a result of this, comes back to the massive demand created by this pool of people who cannot exit the rental market, far exceeding the supply of rental properties. Again the inevitable happens: demand exceeds supply, the price of the product goes up and what we have seen in the private rental market in Tasmania is massive increases in rent. These inflationary times that we have, together with the cost of petrol escalating, are making it very difficult. The figures that are in the report about the housing affordability and the number of people in financial crisis as a result of rents are really decimating. What evidence we received is that there is a 98 per cent occupancy rate in the private rental market, in other words only a two per cent vacancy rate, which is an all-time low. Evidence has been provided to the committee that should prospective tenants view a house that is advertised in the paper today there could be up to 30 applicants for that house.

Good, hardworking people are finding it impossible to rent houses, whereas five years ago they would have found it very easy to rent a house. As a result, there has been a huge increase in the demand for social housing, which essentially in Tasmania is made up of public housing owned by Housing Tasmania and thus the State Government.

Tasmania has a very small supply of community housing, a much smaller percentage than other jurisdictions have, which the committee investigated when it was interstate. What we have seen because of this huge increase in demand for public housing is the same thing, grade seven economics, demand for public housing far outstripping the supply.

What is worse is that - and the figures are in the report - over the last 10 years, at the same time as a real estate boom and this situation leading to a huge increase in demand for public housing, guess what has happened to the supply of public housing? It has not even maintained the status quo. The number of houses available through Housing Tasmania has actually declined.

That is largely responsible for the homelessness crisis. Again, a lot of evidence was provided by all of the incredibly hardworking agencies and community organisations that make up the housing coalition, TasCOSS, Shelter Tasmania, Anglicare, Centacare, Colony 47, Salvation Army, St Vincent de Paul, and the many others. They provided a lot of evidence about the impact on ordinary Tasmanians, the impact on their services and again it is a tragic story that almost reduced us to tears on some occasions when we heard some of the personal stories.

The homelessness crisis produces another result. What that has done is create a crisis for the crisis accommodation providers, the shelter services. Again, that has led to a situation where there is a huge demand for crisis accommodation that far exceeds the supply of crisis accommodation. That has resulted in a bottleneck situation where people get into crisis accommodation which is supposed to be short term, but the organisations involved have nowhere to move the people to. They become stuck in crisis accommodation, moved from one crisis accommodation provider to another. I think the committee would all agree with me that the outstanding efforts, the passion and the compassion and dedication put in by the crisis accommodation providers is just extraordinary.

I think that we would say that about all the housing services, including the staff of Housing Tasmania who do an outstanding job. With the crisis accommodation, I think that the most tragic thing is when we hear stories about how people who are so passionate about trying to help their clients in the middle of a cold Tasmanian winter have to resort, because there are no more spaces left for the people, to handing out tents and when they run out of tents they hand out blankets.

I know that the committee finds that intolerable in a -

Mrs Jamieson - Civilised society.

Mr MARTIN - In a civilised society where shelter, as I have said many times in this Chamber, is the most basic, fundamental human right.

Mr Wilkinson - On a cold night go to the Domain, look in the pavilion and see the number of young kids sleeping at the top rung of the pavilion.

Mr MARTIN - Absolutely. The figures in the report show the number of Tasmanians who are supposedly sleeping rough, as the term goes, but that is only the tip of the iceberg because it is based on what the census collectors could find on the one night of the census. Of course, people

sleeping under trees or on the Domain, although I think the Domain is one area they went to, but there are people all over the city sleeping rough who were not counted.

Mr Wilkinson - It is worldwide, though, is it not?

Mr <MARTIN> - It is worldwide.

Mr Wilkinson - If you are lucky enough to go to Rome, Italy, around the station at night there are a number of people, well over 50, just sleeping on the ground outside the station.

Mr <MARTIN> - The good thing is that it was recognised in the Agenda 2008 speech by the former Premier, on behalf of the current Government, that it is totally unacceptable for any Tasmanian to be homeless. I could not agree more.

Mr Parkinson - Except the ones who want to be.

Mr <MARTIN> - I admit they exist but that really is a minute number and should not be used as an excuse for homelessness. The majority of people do not want to be homeless; the majority of human beings do not want to live out on a cold Tasmanian winter's night. I agree with the former Premier that it is totally unacceptable for any Tasmanian, in a society that is enjoying prosperous economic times. We just cannot let Tasmanians live without shelter. I will come back to the recommendation of the committee because it differs a bit from the benchmarks set by the former Premier in the same speech.

That snapshot is basically our view on the creation of this housing crisis and therefore the homelessness crisis we have in the State. I will just go through some of the conclusions -

Mr Wing - Through you, Madam President - might I ask if the committee gave any consideration to the effect of housing affordability on international students who have difficulty finding accommodation?

Mr <MARTIN> - I cannot recall that we actually received evidence on that, but from a personal anecdotal point of view I know it is a problem. Again, the whole system is getting clogged up. That is the problem. The international students would be almost at the end of the line and it is a simple fact that when you have a private rental market that is operating at 98 per cent occupancy, it just clogs up the whole system so they would be victims as well as everyone else in looking for private rental.

To me, when we looked at the experiences of Tasmanians in housing stress or at homelessness, one of the first conclusions we made is that it is not acceptable that any Tasmanian is homeless. I doubt if there is a Tasmanian anywhere in the State who would disagree with that. We also concluded that homelessness is largely invisible to most people, but that this invisibility does not justify inadequate attention to what is a significant social problem. We also found that representations of housing stress and homelessness presented to the committee are tragic in that they are certainly regrettable.

We also, as I have already indicated, concluded that difficulty finding clients short-term and long-term housing due to the shortage of rental accommodation is creating bottlenecks within subservices. I think probably the most important recommendation we made is recommendation 2, quite simply that a benchmark be established to ensure that no person is homeless by 2010.

I spoke quite passionately in this place in response to the former Premier's Agenda 2008 speech. As I said, I certainly agree with his belief that it is unacceptable for any Tasmanian to be homeless but, as I said at that stage, I just cannot understand how in one breath you can say that it is unacceptable for any Tasmanian to be homeless and then set a benchmark - the only benchmark in the entire speech - that talked about harbouring homelessness. That is just not good enough. If it is unacceptable for any Tasmanian to be homeless, then surely, as a civilised society, the only benchmark that we can reasonably set is that there should be no person homeless. And that is the recommendation of the committee

I would love to see how you would go about telling the other half of the people not covered by the benchmark. Which half are you going to pick out and tell that they are still going to be homeless by 2010? So it is a very strong recommendation of the committee that a benchmark be established to ensure that no person is homeless by 2010.

We also recommended that gaps in crisis accommodation, provision for all client groups, inadequate geographic coverage of services and the absence of exit points be addressed as a high priority through additional resourcing. There is a whole group of other recommendations in relation to those issues.

We also concluded that the provision of affordable housing is a question of government priorities and where these priorities are set will determine the economic and social wellbeing of the Tasmanian community.

One of the people who gave evidence in relation to that, and articulated it very well, was the secretary of Treasury, Don Challen. He is quoted in the report as very succinctly saying that the housing shortage and housing crisis in Tasmania is purely a reflection of government priority setting. I absolutely agree and I think the committee agrees with that as well.

Mr Harriss - I think the Treasurer might have a few words to say to him about that statement.

Members laughing.

Mr MARTIN - I am sure the Treasurer, being a compassionate person as I know he is and also a very intelligent economic thinker, would find it very difficult to disagree with the secretary of the department.

Mr Harriss - That's true.

Mr MARTIN - I must applaud the compassion that the secretary showed throughout his evidence to the committee too. I think we would all agree on that. We also concluded that the decline of housing affordability in Tasmania negatively impacts on the quality of life, because the strength of any community is only as strong as the weakest link in that community. If there are people falling through the safety net then the community as a whole suffers.

We received evidence, for example, of the impact on children and in the briefing this morning in relation to the Ashley select committee we were again reminded. A case study was given in the briefing of a young child who has been disengaged from the education system and has finished up in the juvenile justice system simply because he spent most of his life sleeping in a car with his mother. Evidence like that was provided over and over again to the committee. The housing crisis and the impossibility of some people getting public housing and therefore having to move from one

side of greater Launceston to the other has meant that one boy had been in 13 different schools by the age of nine. How do you expect that young person to get an education and have a good life when he has had that sort of unsettled experience in those important years, and again all because of the lack of housing?

We also conclude that housing is fundamental to the economic and social wellbeing of the Tasmanian community and that the housing market boom has negatively impacted on first home buyers, private renters, the public housing system and crisis accommodation providers and clients and that the lack of affordable housing affects levels of disadvantage and impacts on employment opportunities. A lot of evidence was provided on that. People are having to move further and further out of the suburban area just to find a place they can afford, which then makes it impossible for them to get employment. Living in the southern beach areas of Primrose Sands, for example, the cost of petrol means they cannot get into the city for work. Again that is applicable all over the State.

We also conclude that the lack of affordable housing not only impacts on employment opportunities but also health, education and overall welfare.

In relation to term of reference (4), the appropriateness of current levels of funding, some really interesting things came to light, especially in evidence provided by the State Government. I must take this opportunity to thank the State Government, the minister and the Housing Tasmania management and staff in particular for their cooperation throughout the report. They were always forthcoming with whatever evidence we required.

What we concluded was that funding for housing strategies and services in Tasmania under the Commonwealth State Housing Agreement has actually declined in the last 10 years by 16.34 per cent, at a time when there has been this incredible increase in demand for the same services. State Government funding to Housing Tasmania increased significantly in the financial years 2004 to 2006 under the Jim Bacon-announced Affordable Housing Strategy, but unfortunately stage 2 of that was scrapped and as a result State Government funding to Housing Tasmania significantly declined in 2006-07. The previous Federal Government also has to carry some of the blame. The previous Federal Government steadily reduced the value of public housing assistance with a preference to gradually increasing expenditure on rent assistance schemes. As a result, funding to Housing Tasmania from the Federal Government also declined.

It is pleasing to note, as we conclude, that the new Federal Government has promised additional funding and new strategies towards addressing affordable housing problems in Tasmania. We also concluded that Housing Tasmania is underfunded, as simple as that.

That brought us to the most significant recommendations. First, recommendation 24, that within three years there should be no clients in category 1 or 2 waiting to be housed. Category 1 or 2 are people who have been categorised by Housing Tasmanian staff as either being homeless or living in a potentially dangerous situation - the people most in need. The people in the other categories also deserve attention, but the category 1 and 2 are those most urgent and are either homeless or living in dangerous situations. So we are saying that there should be no clients in either of those categories within three years.

Also, one of the other things that came to light was the severe underfunding of maintenance that has led to a significant maintenance backlog of Housing Tasmania stock through neglect by successive governments over the last 20 years. So recommendation 25 is that urgent action should be taken to

clear the maintenance backlog. How much money is needed to do that? I think all of us were pleased to hear in the Agenda 2008 speech an additional \$60 million promised by former Premier Lennon to address this issue. That is nowhere near enough.

Ms Forrest - Through you, Madam President - is that to address the maintenance issue or is the \$60 million to put more houses on the ground?

Mr MARTIN - The \$60 million is to address the homelessness issue.

Ms Forrest - So maintenance might or might not come into that.

Mr MARTIN - I do not think maintenance got a guernsey in that promise. It is important to remember that, as I have passionately spoken about here on a previous occasion, the first \$45 million of that \$60 million is the stage two funding that was never delivered under the Bacon Affordable Housing Strategy. With the significant increase in building costs and real estate prices, the \$60 million today probably will not buy what the \$45 million would have bought four years ago. In addition to that, we should also remember all those people who have been homeless for the last four years because that stage two funding was not proceed with.

So from the evidence provided, what we were able to conclude was that in order to eliminate categories 1 and 2 waiting lists in three years it is estimated that at least \$200 million would be required.

Mrs Rattray-Wagner - If you say it quickly it does not sound that much.

Mr MARTIN - The \$200 million is just to clear the backlog, the waiting list, of the people who are either homeless or living in potentially dangerous situations. For people most in need, \$200 million is needed. In addition to that, the maintenance backlog is estimated to cost \$80 million. Any of us who have owned real estate know that you have to maintain the value of your property. Successive State governments - and I do not blame the current one - over 20 years have failed to maintain the properties that they have. What we have is run-down stock. I think the committee felt for Housing Tasmania because they have run-down stock that has not been maintained and also that does not fit the demographics of people in need today. The fact is that the smaller households often have three-bedroom houses and what they need is one and two-bedroom properties in different locations to where the current stock is.

We applaud the fact that they also had this policy of selling a lot of the stock. That is something that we would support if the money was being put into buying other stock that was more appropriate. Tragically, though, that has not been happening. So the committee was left wondering where the proceeds of the sale of the stock went.

The key recommendations were that in order to eliminate categories 1 and 2 waiting lists in three years the State Government needs to immediately allocate \$200 million to purchase or build new stock and to spend \$80 million on the maintenance backlog.

The final comments that I will make are in relation to the Affordable Housing Strategy. I have talked about the fact that stage two funding for purchase of properties was not proceeded with but the rest of the housing strategy, as we are constantly reminded by the minister, has proceeded. It was an excellent strategy and at one stage we were looking at recommending that a detailed housing

strategy was needed. You do not really need to reinvent the wheel because the Affordable Housing Strategy was pretty spot on. Unfortunately it just was not funded to the degree that it needed to be to have the impact.

We also recommend that Housing Tasmania revise its rent-setting policy with a view to moving towards rent rates being a percentage of income, and that Housing Tasmania abandon the tenure-for-life principle but with a grandfather clause applying to existing tenants. We thought that as a principle was pretty important. We also recommend that the provision of public housing in Tasmania be restructured subject to independent modelling being undertaken to test the viability of the following recommendations. That is something that is important to note because we do not have the resources and the expertise to model the viability of this particular recommendation. Subject to that independent modelling being undertaken, we believe it is worthwhile, firstly, looking at splitting Housing Tasmania so that its primary focus is in the human services aspect of housing including the allocation of houses to people with greatest need; managing tenancies in public housing; and liaising with other government departments and services with regard to client needs.

Secondly, we think it is worthwhile creating a new government business enterprise with the task of providing, managing and maintaining dwellings used as public housing conditional upon the following criteria: a community service obligation funding stream that is adequate to meet the needs of Tasmanians requiring housing; an obligation to prioritise provision of houses to people with greatest need; an ability to utilise assets to secure capital funds; structures to allow competitive operation in the marketplace; and ongoing responsibility to maintain dwellings. We thought it was important that this new company have a skills-based board of directors and provide cost-efficient homes.

We did look at successful strategies in other Australian States that could be effective in improving affordability in Tasmania. We concluded that Tasmania's approach to providing affordable housing is not fundamentally different from other Australian jurisdictions. There are two recurring themes contained in interstate housing strategies which appear not to have been attempted in Tasmania. The first is encouraging local governments to develop localised housing strategies. Local government traditionally in this State has played very limited roles in housing whereas we found that places like Brisbane, for example, and other councils in New South Wales in particular have been very active in providing housing strategies. The second thing is forming community representative liaison bodies to provide feedback to the Government. The New South Wales Government is re-forming and reconfiguring public housing. We had a very worthwhile presentation by the New South Wales Government and we thank the minister, and in particular his adviser Darren Rodrigo, for the contribution they made to our hearings.

Mr Harriss - Why did you have to mention him?

Mr <MARTIN> - He made a significant impact on the committee.

Mr Harriss - The member for Murchison has just returned; she will be interested.

Ms Forrest - Sorry, did I miss something?

Mrs Rattray-Wagner - Darren Rodrigo.

Ms Forrest - Oh, I do not remember him at all.

Mr <MARTIN> - I am just paying him tribute.

Mr Harriss - The member for Montgomery has just raised her eyebrows.

Ms Forrest - She did too.

Mr <MARTIN> - I had to get it in somewhere.

Ms Forrest - I was waiting for it. I actually was distracted and missed it. I am terribly sorry.

Mr <MARTIN> - One of the interesting things to come from the New South Wales Government was the case of Sydney's metropolitan strategy which highlights the importance of land supply; but also that land availability will not necessarily prompt the delivery of new homes. That is something that is very relevant to the evidence we received in Tasmania.

We had a number of organisations and private individuals from the development sector in Tasmania complaining about the fact that there is an under-provision of land, there is just not a supply of land available to build new houses in Tasmania yet, on the other hand, from local government and State Government we received a completely different version of events, especially from the planning bodies.

We were unable to come to a decision about who was right and who was wrong there, so one of our recommendations is that as a matter of urgency a review be conducted into working out exactly how much land is available for building at this stage because the evidence that everyone is going on at the moment is a report that is over 10 years old and was not really that detailed at the time it was created anyway.

We also concluded that City West Housing in Sydney, the Brisbane Housing Company and Community Housing Canberra demonstrate that a range of community housing models can work effectively by utilising different strategies.

2.51 p.m.]

Mr <MARTIN> (Elwick) - Madam President, in just the 10 minutes I had at the end of a function at lunchtime, I had a quick check through the report to try to identify anything of consequence that I might have missed.

Mrs Rattray-Wagner - It wasn't the New South Wales Government submission, was it?

Mr <MARTIN> - No, the New South Wales submission was really good.

Mrs Rattray-Wagner - Was the report on that extensive enough?

Mr <MARTIN> - It was a very extensive report by a very good ministerial adviser. What was his name?

Mrs Rattray-Wagner - Darren, I believe.

Mr <MARTIN> - That is right. There is a story here.

Madam President, there are just a couple of things to finish off.

Mr Harriss - I'm going to copy *Hansard* and send it around to various people.

Ms Forrest - Best to move on before you lose your place completely.

Mr MARTIN - Madam President, there are a couple of important recommendations and conclusions that I would like to point out. First a very important one, recommendation 9, is that appropriate housing should be viewed as a basic human right and accordingly governments, both State and Federal, should commit to attaching a high level of priority to addressing the housing affordability issue.

As I mentioned before, a number of people, including the Secretary of Treasury, made the point pretty strongly that the public housing crisis in Tasmania could be fixed if it was considered a high enough priority by government. I think if it were considered to be the basic human right, then government would give it a high level of priority.

The other important recommendation was that we believe it is important that independent research be conducted to determine Tasmanian-based empirical evidence of the current and future impacts of declining housing affordability, because there was a lack of Tasmanian quantifiable detail that we had at our disposal. Also, that programs be implemented to address the impacts on children of issues relating to the housing crisis and its effect on them.

The other thing we concluded, and it is something that is common throughout government and not just this State Government but governments generally, is that there is no whole-of-government approach to affordable housing in Tasmania. There is no doubt, as with so many issues, that we certainly have held back the long-term strategic planning for, in this case, housing.

The other really frustrating but interesting issue we noted was the contradiction between two secretaries of department. On the one hand we had Housing Tasmania and the Department of Health and Human Services giving advice on the record that they considered the housing stock to be a liability whereas the secretary of the Treasury, when asked exactly the same question, in my opinion quite rightly responded that it is an asset. I think it is really important to recognise that it showed a mindset in the Department of Health and Human Services that is holding back strategic thinking on the issue. The good news is that, in a briefing with the new Secretary of the Department of Health and Human Services, I asked whether he considered the housing stock to be an asset or a liability and he responded that he thought it was an asset. Hopefully the mindset within the department has changed.

Ms Forrest - He might not have talked to the others yet.

Mr MARTIN - Hopefully he has by now.

The other thing I wish to mention is the Tasmanian Affordable Housing Limited which I have always strongly supported. My difference with the Government is that the former Premier appeared to see it as a replacement for investment in public housing and I do not think that it was ever capable of delivering that. The conclusion of the committee was that the creation of TAHL was a positive initiative in broadening the range of housing options, but we went on to say that its function would always be complementary and it would not replace Housing Tasmania's obligations.

It was also a conclusion that it was doubtful that TAHL would deliver 700 homes within its time frame. There are also a couple of concerns that came out of our deliberations in relation to TAHL. First was the issue of whether they were going to select the tenants from category 1 waiting list applicants, those in greatest need. Similarly, evidence provided to us both by TAHL and by other community sector groups suggested that was highly unlikely and thus it could never be considered a replacement for public housing investment.

We were also concerned about the model's reliance on the CRA program. There was also evidence provided to the committee that the processes for involvement by developers to comply with the TAHL requirements was excessive and therefore was restricting the private sector's interest in the concept.

Probably the last thing that I would like to comment on is the recommendations in relation to land tax. We did conclude quite obviously that, as I said at the beginning, one of the winners from the real estate housing boom has been the general Tasmanian economy. As a result, of that the State Government has been a winner because they have enjoyed massive increases in land tax revenue and conveyance duty.

We also concluded that the aggregation and threshold of land tax in Tasmania is adversely impacting on the private rental market and that needs to be addressed. I have previously touched on another issue on which we received evidence both for and against, and that is there is no contemporary evidence to support or otherwise the claim of a shortage of suitable land supply. This came up in the Property Council of Tasmania's presentation at lunchtime as well. Certainly there are strong opinions suggesting that there is a shortage of land supply from the development sector, but government and local government certainly argued the opposite. The bottom line is that study that it is based on is about 15 years old and certainly needs to be updated given the amount of development that has occurred in the last 10 years.

I will leave it at that, but I will finish by, on behalf of the committee, placing on the record our thanks to the support team from the Legislative Council, the two secretaries, Wendy Peddle and Sue McLeod as well as Jill Mann and Nathan Fewkes who has done an unbelievable job for the committee. An enormous amount of work went in - there were 22 meetings and the staff were terrific. You have nothing but our highest praise.

Mr Harriss - Hear, hear.

Mrs Rattray-Wagner - Hear, hear.

Mr MARTIN - I would also like to place on record my personal thanks to the other committee members, the now President - the honourable member for Montgomery, the honourable member for Murchison, the honourable member for Huon and the honourable member for Apsley. It involved a huge workload. There was a lot of camaraderie along the way, especially in relation to some of the evidence we received. I really do thank you for the support you have given throughout the process and for the work that you have done and also for being gentle with me when I decided to do a lot of work over Easter time and re-visited a lot of stuff. You were very good about it. So thank you.