

8 July 2024

Government Administration Committee 'B'
Parliament of Tasmania
Hobart TAS 7000
attn: Committee Secretary

via email: simon.scott@parliament.tas.gov.au

To Simon Scott,
Re: *Inquiry on Homes Tasmania*

The Tenants' Union of Tasmania welcomes the opportunity to provide a short submission to the Inquiry into Homes Tasmania ('the Inquiry'). Given that Homes Tasmania only commenced operation on 1 December 2022 it cannot and should not be held responsible for the housing objectives, policies and programs that came before it. Nevertheless, if Homes Tasmania is to meet its objective of "reducing the incidence of housing stress and homelessness in Tasmania"¹ the magnitude of the problem must be recognised.

The Inquiry provides an excellent opportunity to take stock of Tasmania's social housing and rental markets both of which are in a perilous state. It is now more than five years since the Housing Summit² and yet on most indicators we are worse off. More rental stress. More people on the social housing wait list. More homelessness.

Rental Stress

Rents have been increasing by unsustainable levels for at least a decade as the following data highlights. Rents have increased by 8 per cent year-on-year over the last five years (Figure 1) and 7.7 per cent over the last decade (Figure 2). Expressed in another way, Tasmanian median rents have increased by \$120.00 per week over the last five years meaning that the average renter has had to find an additional \$6240.00 per annum to keep the same roof over their head.

Anglicare Tasmania's *Rental Affordability Snapshot* reports that "affordability for people on income support payments is at an all-time low" with 0% of properties advertised affordable and suitable for anyone in receipt of an Age Pension or Disability Support Pension, Jobseeker, Youth Allowance or Single Parenting Payment.³

Unsustainable rent rises are caused by the lack of supply with the vacancy rate currently 1.4 per cent in Hobart, 0.6 per cent in Burnie and 1.0 per cent in Launceston.⁴ As the Tasmanian Housing Strategy notes, "a sustainable vacancy rate of around 3 per cent in the private rental market will help to stabilise rents and ultimately reduce pressure on household budgets".⁵

¹ Section 3 of the *Homes Tasmania Act 2022* (Tas).

² Will Hodgman, 'Housing Summit', *Media Release* 14 March 2018.

³ Anglicare Tasmania's *Rental Affordability Snapshot 2024* at 4.

⁴ Homes Tasmania, *Housing Dashboard* (May 2024) at 23.

⁵ Tasmanian Government, *Tasmanian Housing Strategy 2023-2043* (November 2023) at 28.

Figure 1: Weighted median rent for 3-bedroom properties in Tasmanian regions over the last five years

Region	Rent March 2019	Rent March 2024	% Increase
Greater Burnie	\$260.00	\$395.00	52%
Central Coast	\$300.00	\$420.00	40%
Greater Devonport	\$295.00	\$423.00	43%
Rural North West	\$280.00	\$400.00	43%
West Coast	\$160.00	\$280.00	75%
Inner Launceston	\$353.00	\$500.00	42%
Outer Launceston	\$310.00	\$470.00	52%
North East	\$270.00	\$390.00	44%
Central North	\$300.00	\$465.00	55%
Central South	\$320.00	\$455.00	42%
South East	\$370.00	\$495.00	34%
Eastern Shore	\$400.00	\$530.00	32%
Hobart City	\$538.00	\$625.00	16%
Kingston Area	\$445.00	\$575.00	29%
Glenorchy City	\$400.00	\$520.00	30%
Far South	\$350.00	\$498.00	42%
Tas. Average	\$334.00	\$465.00	40%

Source: *Tasmanian Rents* March 2019; *Tasmanian Rents* March 2024. As found at <http://tutas.org.au/publications/tasmanian-rents/> (Accessed 8 July 2024).

Figure 2: Weighted median rent for 3-bedroom properties in Tasmanian regions over the last decade

Region	Rent June 2015	Rent March 2024	% Increase
Greater Burnie	\$230.00	\$395.00	72%
Central Coast	\$260.00	\$420.00	62%
Greater Devonport	\$260.00	\$423.00	63%
Rural North West	\$250.00	\$400.00	60%
West Coast	\$163.00	\$280.00	72%
Inner Launceston	\$280.00	\$500.00	79%
Outer Launceston	\$275.00	\$470.00	71%
North East	\$230.00	\$390.00	70%
Central North	\$270.00	\$465.00	72%
Central South	\$253.00	\$455.00	80%
South East	\$300.00	\$495.00	65%
Eastern Shore	\$300.00	\$530.00	77%
Hobart City	\$380.00	\$625.00	64%
Kingston Area	\$345.00	\$575.00	67%
Glenorchy City	\$300.00	\$520.00	73%
Far South	\$280.00	\$498.00	78%
Tas. Average	\$273.00	\$465.00	70%

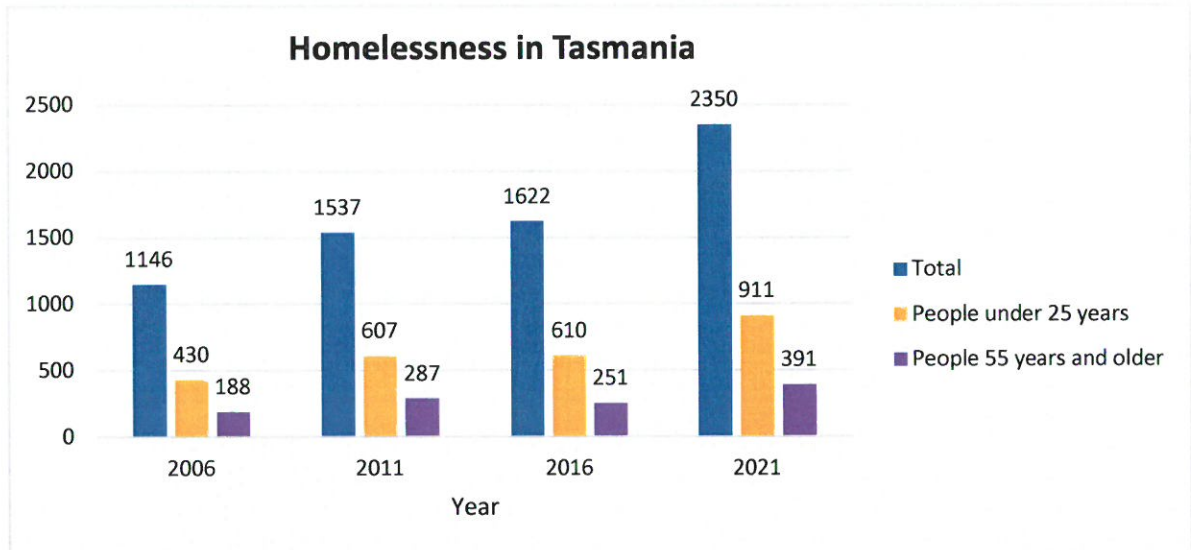
Source: *Tasmanian Rents* June 2015; *Tasmanian Rents* March 2024. As found at <http://tutas.org.au/publications/tasmanian-rents/> (Accessed 8 July 2024).

According to the Tasmanian Housing Strategy “as there is a strong correlation between the median price of private rentals and the increase in the Housing Register, building more social and affordable housing is part of the solution to addressing current challenges but is not the only answer”.⁶

⁶ Tasmanian Government, *Tasmanian Housing Strategy 2023-2043* (November 2023) at 28.

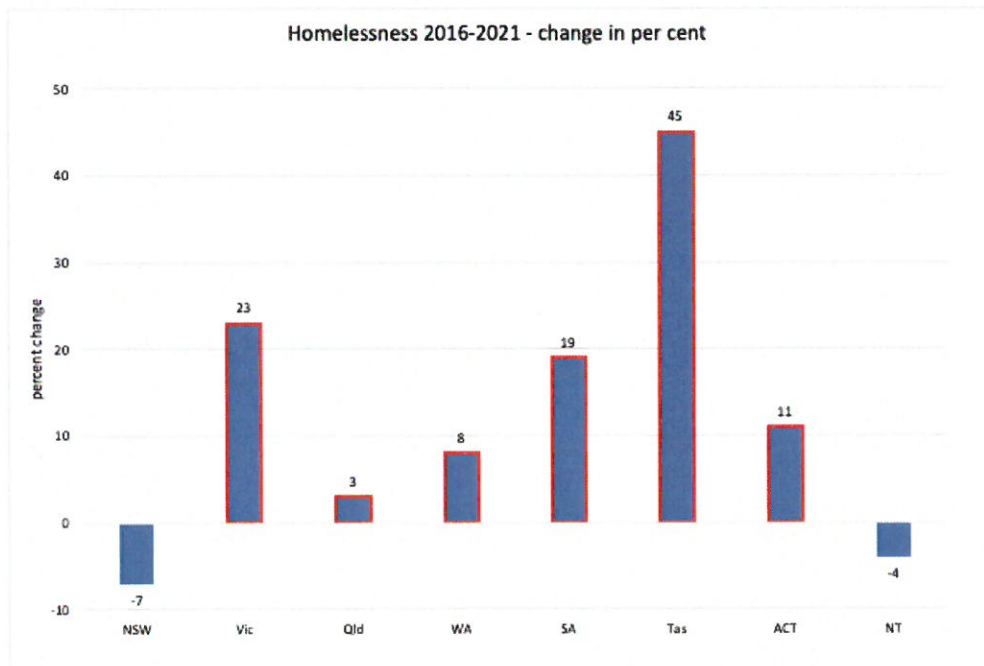
- **Homelessness**

Between 2006-2021 the Australian Bureau of Statistics reports that homelessness in Tasmania has more than doubled (105 per cent). The proportion of homelessness in Tasmania amongst younger people (107 per cent) and older people (111 per cent) is even worse.



Source: Australian Bureau of Statistics, *Estimating homelessness: Census, 2021*, Table 1.3. As found at <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release> (Accessed 8 July 2024)

Between 2016-2021 the Australian Bureau of Statistics found that Tasmania experienced the largest increase in homelessness of any State or Territory in Australia. Whilst homelessness dropped in New South Wales and in the Northern Territory and increased in all other Australian States and Territories, no jurisdiction experienced anything close to the increase in Tasmania.



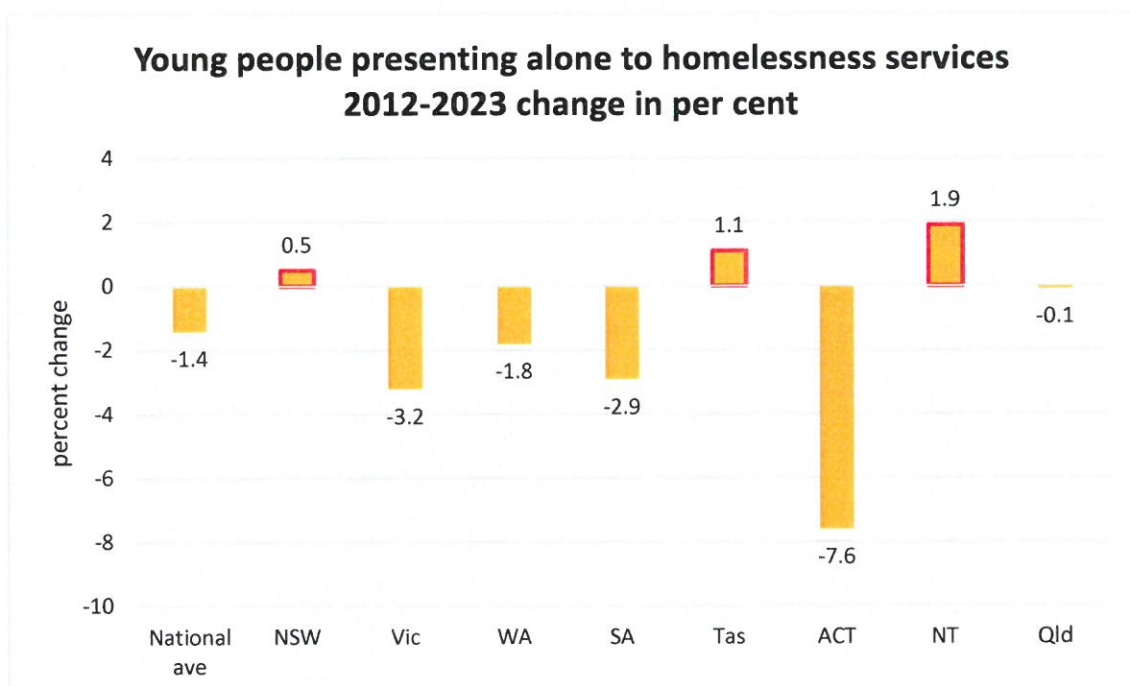
Source: Australian Bureau of Statistics, *Estimating homelessness: Census, 2021*, Table 1.3. As found at <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release> (Accessed 8 July 2024)

Young People

The Australian Institute of Health and Welfare recognises that homelessness “can substantially harm young people’s health and wellbeing... [because]... young people are particularly vulnerable to the enduring harm caused by disruption not only to their education and transition to employment but also to the formation of stable and healthy social networks”.⁷

In September 2015, the Tasmanian Affordable Housing Strategy recognised that “youth homelessness is Tasmania’s most vulnerable cohort” and prioritised “a collaborative and responsive service model for vulnerable young people to prevent them from becoming homeless and to create more exits out of crisis”.⁸

Over the last decade, most Australian jurisdictions have seen a reduction in homelessness amongst young people. However, other than the Northern Territory, Tasmania has had the largest increase in young people presenting alone to homelessness services in Australia.



Source: Australian Institute of Health and Welfare, Specialist homelessness services annual report 2022/23. As found at <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-services-and-outcomes> (Accessed 8 July 2024)

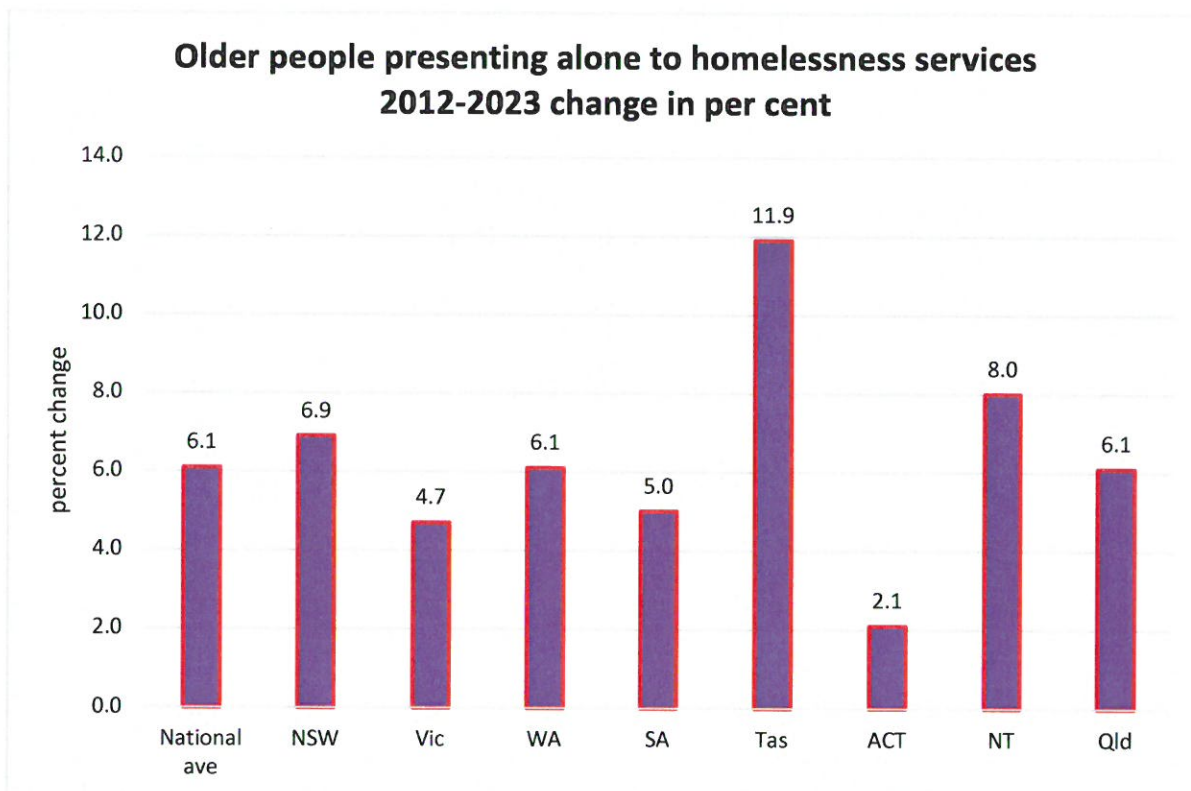
⁷ Australian Institute of Health and Welfare, Australia’s youth: Homelessness and overcrowding (June 2021). As found at <https://www.aihw.gov.au/reports/children-youth/homelessness-and-overcrowding>

⁸ Tasmanian Government, *Tasmania’s Affordable Housing Strategy 2015-2025* (September 2015) at 30.

Older People

The Australian Institute of Health and Welfare reports that “there is a growing homelessness problem among Australia’s ageing population” and that “the experience of homelessness has become increasingly widespread among older women” growing by almost 40 per cent Australia-wide over the last decade.⁹

In 2015, the Tasmanian Affordable Housing Strategy recognised that “there is increasing demand for affordable homes appropriate to the needs of older persons”.¹⁰ And yet, the most recent data highlights not only that there is a growing number of older Tasmanians in homelessness but that Tasmania has had the largest increase in older people reporting homelessness in Australia.



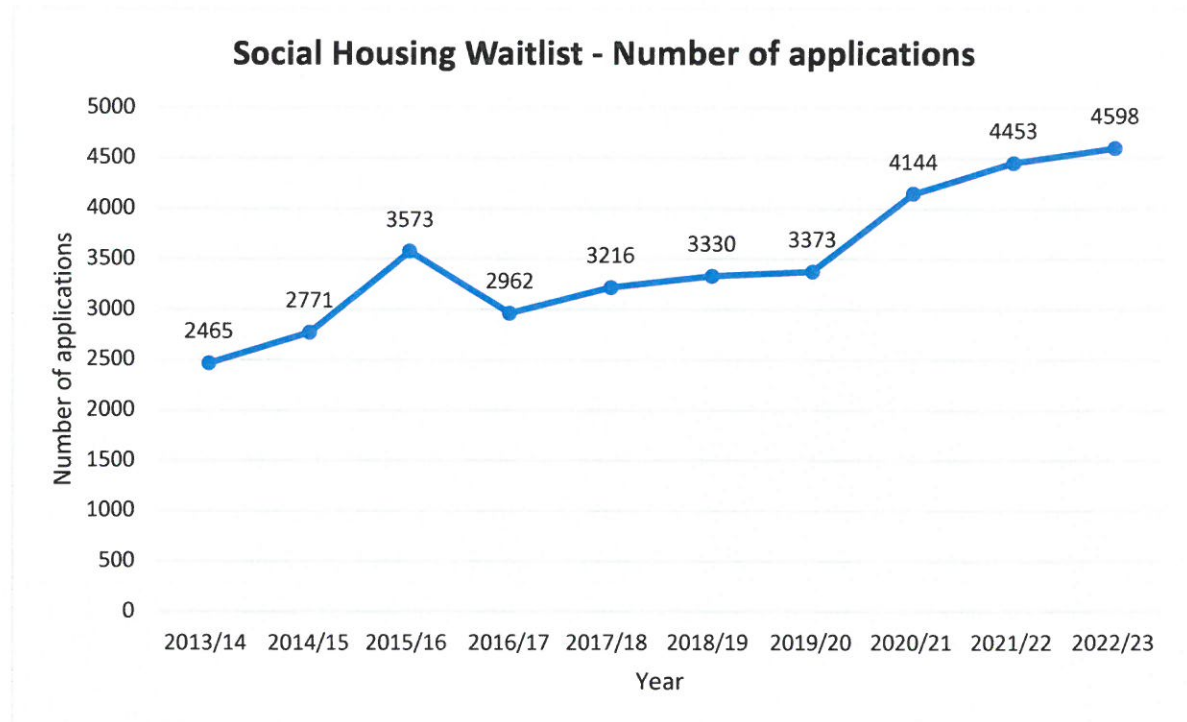
Source: Australian Institute of Health and Welfare, Specialist homelessness services annual report 2022/23. As found at <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-services-and-outcomes> (Accessed 8 July 2024)

⁹ Australian Institute of Health and Welfare, *Specialist homelessness services annual report 2022-23* (13 February 2024). As found at <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/older-clients> (accessed 7 June 2024).

¹⁰ Tasmanian Government, *Tasmania’s Affordable Housing Strategy 2015-2025* (September 2015) at 12.

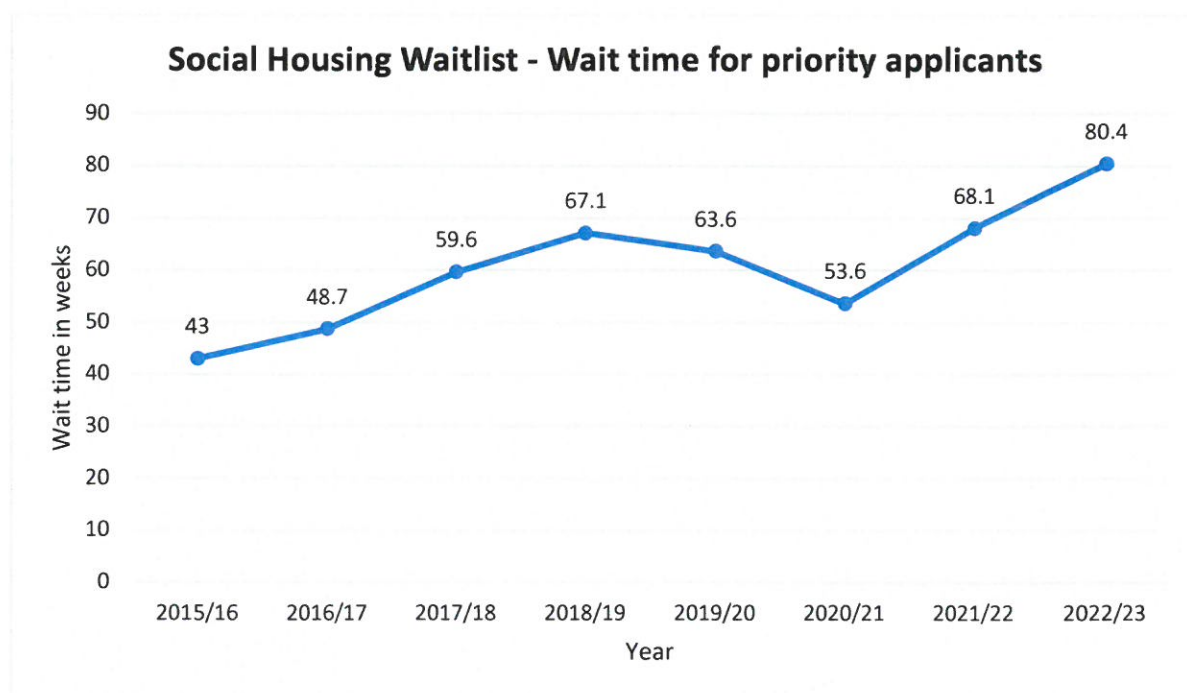
Social Housing Waitlist

Over the last decade the social housing waitlist has increased by 87 per cent. In 2013-14 there were 2465 applicants on the wait list. Today, there are 4598 on the wait list.



Source: *Department of Health and Human Services and Department of Communities Annual Reports*

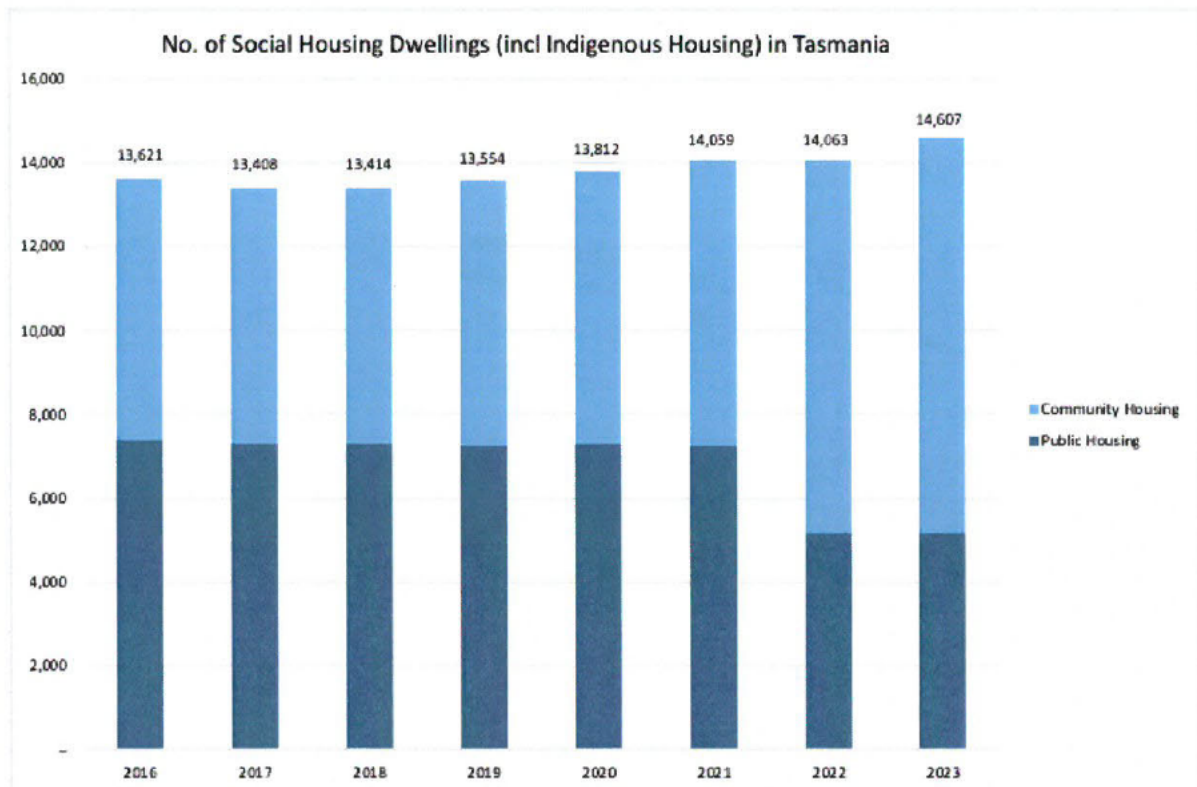
Whilst data is unavailable for the 2013/14 - 2014/15 years, the average wait time for priority applicants on the social housing wait list has almost doubled over the last eight years, from 43 weeks to 80 weeks.



Source: *Department of Health and Human Services and Department of Communities Annual Reports*

Number of social housing properties

Over the last decade the number of social housing properties in Tasmania has increased by 986, from 13,621 in 2013/14 to 14,607 in 2022/23.



Source: Productivity Commission, Report on Government Services 2024. As found at <https://www.pc.gov.au/ongoing/report-on-government-services/2024/housing-and-homelessness/housing> (Accessed 8 July 2024).

Summary

In summary, our short submission has sought to provide some background information on the difficulties encountered by renters in the private rental market and the concomitant increase in demand for social housing. The failure of successive Governments to reign in unsustainable rent rises in the private rental market and to ensure an adequate supply of social housing has resulted in a significant increase in homelessness.

If you have any queries, please do not hesitate to contact us.

Yours faithfully, 


Benedict Bartl ✓
Principal Solicitor
Tenants' Union of Tasmania
