



PARLIAMENT OF TASMANIA

**HOUSE OF ASSEMBLY SELECT COMMITTEE ON
HOUSING AFFORDABILITY**

Inquiry into Housing Affordability

MEMBERS OF THE COMMITTEE

Ms Butler
Ms O'Connor
Ms Rylah
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Mr Tucker

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CHAIR'S FOREWORD

On behalf of the House of Assembly Select Committee on Housing Affordability, I am pleased to present this report.

The Tasmanian community faces significant housing challenges. Market conditions have changed dramatically in recent years along with the introduction of short stay accommodation, leading to declining housing affordability and increased homelessness and the service system is under strain.

This inquiry was established to provide an opportunity for stakeholder input on a range of issues impacting housing affordability and related issues in Tasmania.

Although the housing market remains strong with regard to home values (particularly in Greater Hobart), private rents have also increased. This tightening in the rental market affects around 1 in 4 households, and a significant proportion of those households have lower incomes than home owners and are more likely to experience housing stress and insecurity.

Hobart is now the least affordable capital city in Australia when it comes to renting. A key concern is that a greater number of lower income Tasmanians will be forced from the private rental sector and into social and community housing, placing more pressure on a system already under strain. There is less accommodation than is required and the provision of social housing and support services is struggling with the increased demand.

It is clear we need to work together to plan a long-term approach to policy development to ensure we can adequately provide affordable housing and healthy liveable communities.

This should be a collective approach across governments, councils, community and private sectors. The Committee considers there are constraints in the building and construction industry slowing housing supply, suggesting there are opportunities for the government to invest appropriately in TAFE and partner with industry to support skills development and pathways to employment and to ensure that Tasmania has appropriately qualified tradespeople into the future.

The report offers 61 recommendations to improve housing affordability and related matters in Tasmania.

The Select Committee received 37 submissions and held five public hearings, in both Hobart and Launceston, with 54 witnesses.

All these submissions and public hearings provided the Select Committee with a detailed understanding of the diverse range of views on and experiences of housing affordability from people in housing stress, from peak bodies, service providers, industry and researchers. This Report endeavours to reflect this range of views.

On behalf of the Select Committee, I would like to thank all those who took the time to make submissions or provide evidence to the inquiry and for sharing their invaluable experience and knowledge at our hearings about the many aspects of housing affordability.

I extend my sincere gratitude to the Members of the Select Committee as well as James Reynolds, Stephanie Hesford and Fiona Murphy, Committee Secretariat, for their dedicated and excellent support.

A handwritten signature in blue ink, appearing to read 'Alison Standen', with a stylized flourish at the end.

Alison Standen

CHAIR

13 February 2020

RECOMMENDATIONS

1. The Committee recommends the Tasmanian Government increase capital funding for the delivery of more social and affordable housing.
2. The Committee recommends the Tasmanian Government conduct an audit of social and community housing to assess bedroom data and disability access and analyse this against the current waitlist demand, and that this audit be tabled in Parliament.
3. The Committee recommends the Tasmanian Government engage directly with UTAS to confirm its plans to provide additional accommodation to meet demand from domestic and international students and staff.
4. The Committee recommends the Tasmanian Government develop an evidence based 25-year plan to 2050 governing how to address housing affordability and availability in Tasmania.
5. The Committee recommends the Tasmanian Government partner with peak bodies from the social and economic sectors and UTAS to research future demand and to include projected demand by local government area and type of housing required.
6. The Committee recommends the Tasmanian Government update its Tasmanian *Population Growth Strategy* to 2050 to ensure affordable housing and related services are included as critical infrastructure and incorporated in planning for sustainable population growth.
7. The Committee recommends the Tasmanian Government develops a more sophisticated and flexible approach to regulating the short stay accommodation sector in areas of high demand for affordable housing.
8. The Committee recommends the Tasmanian Government place a freeze on the number of short stay accommodation permits that can be issued for entire dwellings in areas of high demand for rental housing until market conditions ease.
9. The Committee recommends the Tasmanian Government examine evidence in support of placing a cap on the number of nights that properties can be used for short-stay accommodation in the Hobart area and other parts of Tasmania where there has been a shift towards short-stay accommodation at the expense of long-term rentals.

10. The Committee recommends the Tasmanian Government develop a system to ensure short-stay accommodation complies with the Tasmanian Government's Visitor Accommodation Standards, planning directives, safety and other requirements for Bed and Breakfast (B&B) accommodation providers, to ensure a similar level of statutory obligations.
11. The Committee recommends the data collected through compliance with the *Short Stay Accommodation Act 2019* should be published and include regional and local government analysis.
12. The Committee recommends the Tasmanian Government to form a steering Committee including representatives of UTAS, Shelter Tasmania, TasCOSS, LGAT, HIA and Neighbourhood Houses Tasmania (NHT) to advise on appropriate policy measures in response to short stay accommodation data.
13. The Committee recommends the Commonwealth and State Governments recognise the increased demand for Specialist Homelessness Services and increase funding under the National Housing and Homelessness Agreement.
14. The Committee recommends the Tasmanians Government's *Affordable Housing Action Plan 2019-2023* includes a key performance indicator that measures outcomes against decreases in the waitlist for public housing.
15. The Committee recommends the Tasmanian Government appropriately fund community service providers and government agencies to implement a program to better identify people at risk of homelessness and housing stress. This program must include early intervention strategies and resourcing to reduce caseloads.
16. The Committee recommends the Tasmanian Government make a long-term commitment to funding programs that assist people leaving correctional and youth justice facilities into secure housing with support, thus reducing reoffending and recidivism.
17. The Committee recommends the Tasmanian Government work with registered training organisations to improve the training pathways, recruitment and retention of community service workers.
18. The Committee recommends the Tasmanian Government work with the community housing sector to appropriately fund and provide more

support services to assist people leaving crisis or temporary accommodation by assigning case workers for the first 6 months, at a minimum.

19. The Committee recommends the Tasmanian Government develops further options for youth under the age of 16, and that they be placed on a separate housing register waitlist until the age of 16.
20. The Committee recommends the Tasmanian Government better integrate support services for homeless people when providing suitable accommodation, particularly access to mental health services and alcohol and drug services.
21. The Committee recommends the Tasmanian Government work with service providers and the Tasmanian Health Service to evaluate demand and allocate funding required to provide case management support for at-risk people. This support should be in place for the first 6 months following transition and ongoing where required.
22. The Committee recommends the Tasmanian Government ensure that funding arrangements between the Departments of Communities and Health, are aligned to jointly fund prevention measures.
23. The Committee recommends the Tasmanian Government set up a reporting system for teachers and principals to inform the Department of Education about children and young people who are having difficulties due to insecure accommodation. This information needs to be shared with Housing Tasmania for an individually tailored response.
24. The Committee recommends the Tasmanian Government explore funding arrangements between Department of Communities and Education to jointly fund measures that improve education retention and outcomes for at risk students.
25. The Committee recommends the Tasmanian Government ensures reporting on actions and targets to reduce Housing Tasmania's maintenance liability, and that it is included in current and future Affordable Housing strategies and/or action plans.
26. The Committee recommends the funding received from the housing debt waiver be allocated to new social housing for at-risk Tasmanians.

27. The Committee recommends the Tasmanian Government immediately establish a third *Affordable Housing Action Plan* from 2023 to provide clear direction over the next period to 2036 once the second action plan has concluded.
28. The Committee recommends that Housing Tasmania, Community Housing Providers and industry groups work together to develop innovative, quality, efficient and less expensive alternative construction methods.
29. The Committee recommend the Tasmanian Government continue to ensure the long-term viability and capacity of Housing Tasmania.
30. The Committee recommends the Tasmanian Government with consultation with Community Housing Providers consider further transfer of management of housing stock linked to KPI's to increase stock (for example, for every three additional properties that are transferred for management, one additional home to be constructed by the CHP).
31. The Committee recommends that, with the introduction of the Education First Youth Foyer models, the Government ensure there are other supported accommodation facilities that are not contingent on individual performance, such as Trinity Hill or Thyne House.
32. The Committee recommends the Tasmanian Government objectively assesses unmet need for social housing and revises targets in the *Affordable Housing Action Plan Stage 2* accordingly.
33. The Committee recommends that, in addition to progress against targets, the Tasmanian Government releases financial information relating to social housing, as part of its quarterly housing report to improve transparency.
34. The Committee recommends that the Federal and State Governments invest appropriately in TAFE to ensure Tasmania has qualified tradespeople into the future.
35. The Committee recommends further consultation between Government and industry stakeholders to ensure the supply of apprentices in the building and construction industry meets demand now and into the future.

36. The Committee recommends the Tasmanian Government work with industry and the Department of Education to develop further educational opportunities and pathways for training and careers in building and construction.
37. The Committee recommends that Housing Tasmania and Community Housing Providers examine innovative, low cost construction materials and methods to reduce costs and the demand for labour, in building new social and affordable housing.
38. The Committee recommends the Government table the budget and actual expenditure of the additional \$5M emergency support for homelessness package, detailing what outcomes have been achieved and what outcomes are expected in the future.
39. The Committee recommends that the Government as a priority ensure Better Housing Future's funding agreements are continued and based on 15-year agreements.
40. The Committee recommends the Tasmanian Government review its contractual arrangements with Community Housing Providers (CHP). The Government should continue to work closely with CHPs to increase overall housing supply and to reduce maintenance liability.
41. The Committee recommends the Tasmanian Government request that the level of income support payments and the Commonwealth Rent Assistance be an agenda item for the next Council of Australian Governments meeting.
42. The Committee recommends the Tasmanian Government provide a detailed evaluation of the outcomes of the Private Rental Incentive Program, including the experiences of tenants.
43. The Committee recommends the Tasmanian Government provide more detailed reporting on the outcomes of Government grants and rental incentive schemes, in its quarterly report on the *Affordable Housing Action Plan Stage 2*.

44. The Committee recommends that Housing Tasmania more actively promote grant and incentive schemes that have been proven effective in addressing housing affordability and availability.
45. The Committee recommends the Tasmanian Government investigate the possibility of more widely available home modification grants in order to keep people with mobility issues in their homes for longer, easing pressure on housing supply and supported accommodation.
46. The Committee recommends the Tasmanian Government advocate for fair and fast-tracked access to finance through the National Housing Finance and Investment Corporation to boost new affordable housing supply.
47. The Committee recommends the Tasmanian Government investigate further incentives and financial support to improve housing liveability.
48. The Committee recommends a housing supply and demand analysis taskforce be established as a matter of priority.
49. The Committee recommends this taskforce advise the Tasmanian Government on affordable housing supply and demand issues that will inform the development of evidence-based future affordable housing plans and strategies.
50. The Committee recommends the Tasmanian Government conduct a full review of the *Residential Tenancy Act 1997* and reform it to take into consideration the changes in the current market with specific reference to the provisions relating to minimum standards and their enforcement, energy efficiency standards, security of tenure for tenants, rent controls, standard leases and applications, and pets.
51. The Committee recommends the Tasmanian Government undertake a review of the role and powers of the Office of the Residential Tenancy Commissioner with a view to ensuring the Commissioner is empowered to undertake compliance checks on residential properties without the need for tenants to complain before a check is conducted, and the Office be appropriately funded to undertake such inspections.

52. The Committee recommends the Government consider providing incentives for property owners to have energy efficient heating appliances in rental properties.
53. The Committee recommends the Residential Tenancy Commissioner develop standardised application forms and residential tenancy agreements or leases to ensure they are lawful and do not intrude upon tenants' rights and privacy.
54. The Committee recommends that consideration of rent control provisions be incorporated into a wider review and reform of the *Residential Tenancy Act 1997*.
55. The Committee recommends the Tasmanian Government make new housing supply and housing affordability an objective of Tasmanian Planning Policies under the *Land Use Planning and Approvals Act 1993*.
56. The Committee recommends the Tasmanian Government work with Local Government Association of Tasmania, and the tertiary education sector to mitigate the chronic skills shortage in the planning profession in Tasmania.
57. The Committee recommends the Tasmanian Government work with Local Governments to prioritise new infill and medium density development close to services, education and employment.
58. The Committee recommends amendments to the *Land Use Planning and Approvals Act 1993* and *Housing Land Supply Act 2018* to include definitions of social and affordable housing.
59. The Committee recommends amendments to the *Land Use Planning and Approvals Act 1993* and *Housing Land Supply Act 2018* to provide for inclusionary zoning in Tasmania's planning policies for all new housing developments to ensure continued sustainable increase in affordable housing supply.
60. The Committee recommends that residential planning standards (PD4.1) be reviewed to ensure the planning framework enables a greater array of affordable housing options, including infill housing, increased density and better design outcomes.

61. The Committee recommends the Tasmanian Planning Policies, specifically the *Settlement and Liveable Communities Planning Policy*, incorporates principles of universal design, liveability and infill of strategic growth corridors to create successful communities.

1 BACKGROUND, APPOINTMENT, TERMS OF REFERENCE AND CONDUCT OF THE INQUIRY

Background

- 1.1 There is general consensus that housing is a basic human right. In recent times, Tasmania's housing affordability has declined and homelessness has increased. The demand for housing has exceeded supply, which has led to issues including increased property prices, increase rental prices, increased competition between applicants for tenancies, and homelessness. Essentially, there is less accommodation available than is required and the provision of social housing has not increased in line with demand.
- 1.2 There is general consensus that housing is a basic human right. In recent times, Tasmania's housing affordability has declined and homelessness has increased. The demand for housing has exceeded supply, which has led to issues including increased property prices, increase rental prices, increased competition between applicants for tenancies, and homelessness. Essentially, there is less accommodation available than is required, and the provision of social housing has not increased in line with demand.
- 1.3 The Chair stated in the motion to establish the House of Assembly Select Committee on Housing Affordability on 1 May 2019:
- There has been a perfect storm around rental and housing affordability within Tasmania as a whole and greater Hobart in particular, resulting in low-income Tasmanians and a new class of working poor emerging. It is threatening the very lifestyle we hold so dear in this place. This parliament needs to understand, as all Tasmanians need to understand, how it is that we got into this mess and how it is that we are going to fix it.¹*
- 1.4 Prior to this inquiry being established, a Legislative Council Select Committee on Housing Affordability Inquiry was established, publishing its report in 2008. This inquiry had similar terms of reference and although the housing landscape has changed since then, it still found similar issues to the current inquiry. The report identified a lack of supply compared to demand, an issue remains central to the current inquiry. It can be assumed that not all actions to address issues identified in 2008 have been implemented and those that have appear to have had limited success in improving Tasmania's housing affordability issues.

¹ Tasmania, *Parliamentary Debates*, House of Assembly, 1 May 2019, 61, (Alison Standen).

- 1.5 Likewise, since the Legislative Council report was published, other issues have become more pronounced which have included, Tasmania's growing popularity as a tourist destination, increasing enrolments at the University of Tasmania, and the growth of short stay accommodation options. These factors have influenced the dynamics of Hobart's housing market and those of regional tourism destinations, resulting in an under-supply of housing generally, and of private residential rental accommodation in particular.
- 1.6 A key concern of the current inquiry was the management of Tasmania's historic housing debt on the management and delivery of social housing. The debt was waived during the course of the Inquiry, but it is not yet clear what impact this will have in terms of additional resources and priorities in housing supply and homelessness.
- 1.7 Likewise, the impact of short stay accommodation in Tasmania is not yet fully understood. The Legislative Council Select Committee on Short Stay Accommodation reported on 29 October 2019 and found that there was a need for further research and data collection than what is currently available. While the Committee noted an increased number of Airbnb entire property listings over the last 18 months,² there is a lack of available research as to whether this increase has conclusively impacted on the rental market.³
- 1.8 In order to better understand the impacts of short stay accommodation the Legislative Council Committee recommended that:
- The State Government goes further than the requirements in the Short Stay Accommodation Act 2019 and develops comprehensive data collection and analysis programs, covering both short stay accommodation and the private housing market, to underpin policy and resourcing responses in relation to housing supply and demand.*⁴
- 1.9 At the time of writing, the publication of the first set of data released under the *Short Stay Accommodation Act 2019* had not occurred. This data is due to be released in January 2020.
- 1.10 The State Government has committed to deliver an *Affordable Housing Strategy* (2015-2025) supported by the *Affordable Housing Action Plan 2015-2019* (Action Plan 1) and *Affordable Housing Action Plan 2019-2023* (Action Plan 2). The Government's total investment for affordable housing is almost \$200 million

² Legislative Council Select Committee, Parliament of Tasmania, *Report on Short Stay Accommodation in Tasmania*, (Report 29 October 2019) p. 3.

³ *Ibid*, p. 4.

⁴ *Ibid*, p. 2.

over 8 years, increasing the total number of new affordable homes to 2 400 (900 in Stage 1 and an additional 1 500 in Stage 2), with around 3 600 households assisted.

- 1.11 The Committee notes the Tasmanian Government's current reforms in Out of Home Care (OOHC) and the inclusion of Home Stretch - the extension of OOHC for young people to age 21.

Appointment and terms of reference

- 1.12 The House of Assembly Select Committee on Housing Affordability was established on 1 May 2019 with the following terms of reference:

1. A Select Committee be appointed, with power to send for persons and papers and records, to inquire into and report upon housing affordability in Tasmania with particular reference to:—
 - a. the experiences of Tasmanians in housing stress or homelessness;
 - b. the management of social housing and delivery of new stock by Housing Tasmania and community housing providers;
 - c. the impact of a lack of affordable housing on the broader economic and social wellbeing of the Tasmanian community;
 - d. the impact of a lack of affordable housing on the implementation and outcomes of other State Government programs;
 - e. the effectiveness and limitations of current State and Federal Government strategies and services to alleviate the impact of poor housing affordability in the Tasmanian community;
 - f. the impact of historic housing debt on the management and delivery of social housing;
 - g. strategies to address the \$73 million maintenance liability of Housing Tasmania and community housing providers;
 - h. the impact of population growth and market developments on housing supply;

- i. the relationship between housing, health and education;
 - j. changes to Tasmania's residential tenancy laws that could improve housing affordability, security and living standards in Tasmania;
 - k. successful strategies in other jurisdictions that could be effective in improving affordability in Tasmania;
 - k. a. regulation of rent price increases, with particular reference to the A.C.T. model; and
 - l. any other matters incidental thereto.
- 2. The Committee shall consist of five Members, being two from the Government nominated by the Leader of the House, two from the Opposition nominated by the Leader of the Opposition and one from the Tasmanian Greens nominated by the Leader of the Greens.
- 3. The Committee report by 15 October next.

1.13 The addition of the Term of Reference (k.a) Regulation of rent price increases with particular reference to the ACT model, was made by a motion of the House of Assembly on Wednesday, 7 August 2019.

1.14 On 25 September 2019, Committee Chair, moved in the House of Assembly that the reporting date for the Select Committee on Housing Affordability be extended until 28 November next. The motion was agreed to. On 26 November 2019, a motion to further extension the reporting date until 5 March 2020 was moved and agreed to.

Conduct of the Inquiry

1.15 The Committee resolved to invite, by way of advertisement on the Parliament of Tasmania website and in the three major Tasmanian newspapers, interested persons and organisations to make a submission to the Committee in relation to the Terms of Reference. In addition to such general invitation, the Committee directly invited a number of persons and organisations to provide the Committee with any information they deemed to be relevant to the inquiry.

1.16 The Committee received 37 submissions and held 5 public hearings, including one in Launceston, with 54 witnesses.

Structure of this Report

1.17 This report consists of the following Chapters:

- Chapter 1 provides a brief overview and administrative details of the inquiry.
- Chapter 2 places the current housing situation in Tasmania into context and considers the factors that have resulted in increased homelessness and housing stress for Tasmanians.
- Chapter 3 considers a number of social issues that the Committee received evidence about including the changing face of homelessness, the experience of people in housing stress or who are homeless, factors contributing to housing stress and homelessness, the relationship between housing, health and education, and related matters.
- Chapter 4 considers existing government strategies, policies, and programs intended to address housing affordability and homelessness in Tasmania. It considers policies in place to increase housing supply, both private and social housing, and how effective these policies are for addressing the current housing crisis.
- Chapter 5 considers the regulation of the private rental market and related matters.
- Chapter 6 considers the shortfalls with current planning policies in addressing the housing shortage, and future reforms that should be considered.

2 CONTEXT AND CAUSES

- 2.1 This Chapter places the current housing situation in Tasmania into context and considers the factors that have resulted in increased homelessness and housing stress for Tasmanians.
- 2.2 The Committee heard there are many factors that have been attributed to the current issues associated with housing stress and homelessness in Tasmania. Below are several statements presented as evidence to the Committee, which highlight some of the key factors contributing to the current housing crisis.
- 2.3 Dr Julia Verdouw, Research Fellow, Housing and Community Research Unit, School of Social Science, University of Tasmania (UTAS), told the Committee some of the factors seemed to include:

... house price growth, private rental market price growth, low vacancy rates, long public housing register lists, a limited supply of social and community housing, and resulting evidence of a shortage of affordable dwellings and declining housing affordability⁵

- 2.4 Likewise, the Committee heard from Peter White, Housing Tasmania, Department of Communities, about the causes and events leading to the current situation:

I think what we are looking at in Tasmania is a demographic change that has occurred in recent years, and that is certainly there. When you are talking about housing stress, you are looking at both sides of the equation: supply and demand. If you look at the demand factors, we have seen increase in student numbers - in particular international students. While the university is responding to that, we have seen that an increase in those numbers has put pressure on the private rental markets, particularly in Hobart, and to an extent in Launceston as well. In the demand sense, we have also had a workforce coming into the state dealing with a lot of new infrastructure projects. Again, that has caused a displacement in the marketplace, where some properties have been taken up by those workers. Another factor we have had on the demand side has been an increase in tourism numbers. Obviously there has then been a response in the supply side and the utilisation of properties. We have seen an increase in short stay accommodation - so yes, there has been properties coming out of the private rental market due to short stay accommodation as well. We have also seen a continuation of declining household formation. Smaller households are still part of the reason there is greater demand for homes, as you have slightly smaller households. We have seen a reduction in the net migration out of Tasmania. Overall, our population is growing. There are those sorts of factors that you would find with any market, and when you are talking about the property market, it is a slow market to turn around. We saw examples three or four years ago of increases

⁵ Transcript of Evidence, 15 August 2019, p. 92.

in tourism numbers. We have now seen hotels being built in response to that. You are talking about a three to four-year time frame for that response to occur. Certainly, with some of those demand pressures that have occurred, it takes time for the market to respond. A symptom of that has been the vacancy rates in the private rental market, and we have seen increases in rental prices associated with that. Again, the increase in property prices we have seen have probably been linked to those factors - investors seeing a higher return and higher occupancy rates in the state markets, so they invest in our market. Similarly, investors have been buying properties for use as short stay and other accommodation as well. Again, in some cases the returns there can be more attractive.⁶

2.5 From the perspective of Shelter Tasmania:

A substantial inquiry in to housing affordability is very timely, as Tasmania's housing system has changed dramatically since the most recent Parliamentary Inquiry into affordable housing was held in 2008... Since 2008, and especially since 2016, Tasmanians have experienced an unprecedented surge in rental prices in the private rental market...

Tasmania faces a housing and homelessness crisis. Homelessness will only end when there is an adequate supply of appropriate, affordable safe and secure housing, along with the support people need to stay housed...

All the evidence shows that the era of cheap rent in Tasmania's private rental market is long past. All the sources of evidence and trend analysis confirm the need to build more social housing, which stays affordable for people in the long term. To reduce homelessness and housing stress, we need more affordable housing. The private market is simply not delivering affordable housing to keep pace with demand. To be clear, we need to build more affordable social rental housing as the absolute top priority for our state and federal governments.⁷

2.6 From the perspective of TasCOSS:

Tasmania is facing an unprecedented housing affordability crisis. Unless we address this crisis by extending our thinking and actions beyond "business as usual" we will see further displacement and marginalization of low income Tasmanians... There is still no evidence based understanding of the scale or scope of the housing affordability challenges Tasmania (sic) faces right now, or any projections for the decade ahead...

Safe, adequate, affordable and appropriate housing is a universal human right...

The critical importance of safe, adequate, affordable and appropriate housing is widely recognized: housing is one of the key social determinants of health, and stable housing has been linked to improved health and wellbeing, better educational outcomes, greater capacity for social and economic participation, and community cohesion... insecure, poor-quality and unaffordable private rental housing is identified in the literature as a contributor to social exclusion, poverty and instability...

⁶ Transcript of Evidence, 13 August 2019, pp. 4-5.

⁷ Submission No. 33, Shelter Tasmania.

TasCOSS contends the housing crisis is as a result of multiple factors... the economic growth in Tasmania has not been inclusive and has resulted in some sectors and industries doing well, while many Tasmanians are doing it harder than ever and are locked out of the growth opportunities due to systems and services not being strategically invested and increased in line with growth⁸.

2.7 From the perspective of the Housing Industry Association (HIA):

House prices increases in Tasmania have occurred as a result of multiple factors including constrained land supply, increasing taxes and charges, cumbersome zoning and development approval processes.⁹

2.8 The Property Council of Tasmania provided the following snapshot, contextualizing the current housing environment:

- *In June 2018, the residential vacancy rate in Hobart at 0.7% was the lowest in the nation (national vacancy rate 2.3%);*
- *Median asking rent growth in Hobart from March 2017 – March 2018 at 15.1% was the highest capital city in the nation (Canberra second at 6%);*
- *Growth rates of Hobart's housing prices in 2017 at 17.3% were the highest in the nation (Melbourne second highest at 11.3% while Sydney's growth rate was 4%; and*
- *In May 2018 the average percentage of wage spent on rent in Hobart at 29% equated to the least affordable city in the nation (Sydney second at 27%).¹⁰*

2.9 Likewise, the Committee heard from the Real Estate Institute of Tasmania (REIT) that:

Robust economic conditions have been a catalyst for positive population growth which has occurred over the past three years. Whilst such growth has only been small (2000-2500 people per annum) it has placed immense pressure on an already tight market. The need for infill accommodation (whether housing or apartments) particularly in Hobart is paramount. We could readily fill 1000 inner city properties if they were available. Given the current situation it makes for interesting conversation when you discuss how we are going to provide accommodation for the 40,000 people expected to move/migrate here over the next decade.¹¹

Public housing stock

2.10 Another factor in the increased number of people experiencing housing stress or homelessness was that public housing was no longer meeting demand.

⁸ Submission No. 36, TasCOSS.

⁹ Submission No. 5, Housing Industry Association.

¹⁰ Submission, No. 21, Property Council of Australia.

¹¹ Submission, No. 4, Real Estate Institute of Tasmania.

- 2.11 The number of households in social housing as at 30 June 2018 was 12 820 (6 856 public housing; 215 State owned and managed Indigenous housing; and 5 749 community housing).¹²
- 2.12 The Department of Communities Tasmania reported the total stock level was 12 504 as at 9 August 2019,¹³ and as at end June 2019, there were 3 330 housing applications on the Housing Register; and the average time to house priority applicants was 67 weeks.¹⁴
- 2.13 The Department of Communities further reported on the value of housing stock:

Mr TUCKER - Mr White, how many housing properties does the state government own?

Mr WHITE - As of 30 June, we own 12 504 properties across our range of programs.

Mr TUCKER - What is the total value of the estate?

Mr WHITE - The value, at the moment, of the portfolio is approximately \$1.5 billion. However, that is due for revaluation. I need to be clear here: that is a book value for accounting purposes.

Mrs RYLAH - Purchase price less depreciation, is it not?

Mr WHITE - It is actually done by the Valuer-General's office. Usually they utilise the local government valuations and adjust for market factors. It is not an historic cost basis. However, I would say there are approximately 3600 properties under the Better Housing Futures arrangements that are not captured within that accounting value, because under the accounting treatment, when they were transferred to management, they were taken off the books, even though the titles sit with the Director of Housing. There's around \$600 million, if you like, of assets sitting there that are not on our books, but we still hold title to.

Mr TUCKER - You are saying there is about \$2.1 billion?

Mr WHITE - Possibly \$2.1 billion, and then there will be a revaluation coming through, so I would expect that to be an increase over last year's figures, once that valuation is received.

Mr TUCKER - With the 3600, are they on top of the 12 504?

Mr WHITE - They are part of that 12 504 number that I alluded to.

¹² Australian Government Productivity Commission, *Report on Government Services 2019*, data on public housing stock in Tasmania.

¹³ Transcript of Evidence, 13 August 2019, p. 9.

¹⁴ Tasmanian Government Human Services Dashboard, 27 September 2019.

Mr TUCKER - What is the total indebtedness in relation to the total estate, on a percentage basis?

Mr WHITE - You're talking about the Commonwealth debt?

Mr TUCKER - All debt that we have there with it, with that Housing debt.

Mr WHITE - The only debt we hold is to the Commonwealth, so that is the figure of \$149.6 million. Off the top of my head, that would be around 7 per cent of the value of that portfolio, if you are including the full \$2.1 billion.

2.14 Peter White, Housing Tasmania, Department of Communities, provided information on the current occupancy rate of public housing stock:

As at 30 June, 49 properties were normal vacancies in our portfolio, and we had an occupancy rate of 99.2 per cent. When we have vacancies in our portfolio it can be for several reasons but the obvious one is when a tenant moves out and a new tenant moves in. Because most of our tenancies can be relatively long term we often take the opportunity when we have a vacant property to do a bit of maintenance work. In some cases that could be carpeting, a new kitchen, et cetera. By the end of June we had an average 20.4 days between tenancies, from when someone moves out to someone moving in. The other reasons we may have some vacant properties is that we are looking at redevelopment and those properties are awaiting either DAs from the council or an opportunity to do that, but it would only have a very small number of properties at any point of time. It is fair to say that sometimes commentary seems to suggest we have hundreds of properties sitting around vacant but I can certainly say that is not the case and the numbers I have given you will back that up.

2.15 Several submissions pointed to a change in the types of accommodation needed for those seeking housing services. The Salvation Army commented:

Demand for social housing is steadily growing and the current rate of supply is insufficient to keep up with the need. Significant and ongoing government investment is required to address the shortfall in affordable social housing supply.

The demographics of housing tenants have changed and available properties do not match demand. Historically, the greatest need for public housing was in three-bedroom units. However, demand has shifted to one and two bedroom units, creating misaligned supply.¹⁵

2.16 The Local Government Association of Tasmania (LGAT) also commented on the changing demographic of those in need of housing:

¹⁵ Submission No. 18, the Salvation Army.

Much of Hobart's existing housing stock was built in an era when the 'traditional' household consisted of two parents and multiple children. As a consequence, housing supply in Hobart remains dominated by detached dwellings. However, according to the 2016 Census, Tasmania was the only state or territory where couple-only families were the most common family type and the number of couple families with children in Tasmania is projected to decline up until 2041. Tasmania also has the lowest proportion of family households and the highest proportion of lone-person households (ABS, 2016).

This declining household size will have an impact on demand for housing. In general, many of these smaller households will have different requirements than the traditional family. Professionals, students and retirees with busy schedules will often seek smaller, lower maintenance housing types. Childless households may place higher value on living near work, shops and entertainment. Elderly residents may prefer convenient access to services, medical facilities and public transport. Single parent families are often in need of affordable housing options in proximity to childcare and schools.¹⁶

2.17 The Tasmanian Government submission also highlighted that the profile of social housing stock does not match current need:

While 50 per cent of applicants on the housing register need one-bedroom properties, only 25 per cent of the housing stock is one-bedroom. The Stock Match Initiative is a voluntary, incentivised program to better match tenants and properties. Additionally, future developments are focused on the new supply of smaller and accessible properties.¹⁷

2.18 Market conditions are also affecting people who may have previously sought to purchase their own home but are now looking at social housing. Mr White, Housing Tasmania commented:

We need to increase the supply of housing right across the board. The unfortunate reality is that when you have high residential house prices, if that housing is going to be affordable for a growing percentage of the population, it needs some form of subsidy. That's a national conversation. I think it's one we could initiate and drive from Tasmania in collaboration with the Commonwealth. In terms of tax, is there a direct line of sight between short-term affordability issues and tax systems? Not directly. One argument for moving towards a broad-based land tax is that it means the owners of those assets who benefit from property price rises are perhaps contributing more in a sustainable way. It's essentially a form of wealth tax. We've argued that trying to reduce stamp duty, particularly for lower value first home buyers, as long as it's done in the long term is probably advantageous. We had a long discussion about this as a group. I think the consensus was that we think for a whole range of reasons that home ownership is an important policy objective. The data in Tasmania and elsewhere shows that access to home ownership is falling and will fall over the long run because of the affordability challenges.¹⁸

¹⁶ Submission No. 20, Local Government Association of Tasmania.

¹⁷ Submission No. 26, Tasmanian Government.

¹⁸ Transcript of Evidence, 4 September 2019, p. 7.

2.19 The HIA made similar comments:

The inability to purchase a home means that many 'would be' purchasers are staying in the private rental market, which consequently increases demand for rental stock, leading to an increase in price for rental accommodation. The flow on effect is that households at the lower income end of the spectrum are unable to access appropriate private rental accommodation, but they may not qualify for the severely limited supply of public housing.¹⁹

2.20 The Master Builders Association of Tasmania also pointed to rising house prices leading to less people being able to afford to purchase their own home:

For both renters and homeowners, housing is often the largest cost item in the household budget. Over the last few decades, new housing supply has consistently struggled to keep pace with demand, with housing affordability deteriorating steadily as a result. Back in 1988, the median Australian house price was \$83,000. This reached \$138,500 a decade later and by 2008 was \$373,000. In mid-2018, the median house price was \$550,000. As a factor of total household income, the median house price has risen from approximately 4 in 1998, to 6.5 in 2018.

Tasmania has traditionally been a more affordable place to buy a house and raise a family. But house price growth has consistently outpaced that in other state capital cities for more than two years. House prices in Tasmania have, on average, grown faster than incomes for the best part of a decade.²⁰

Findings

2.21 The Committee finds that there has been a demographic and structural change in the types of social housing properties that are needed.

2.22 The Committee notes that Housing Tasmania is working to re-profile its stock to better meet contemporary needs.

Recommendations

- 1. The Committee recommends the Tasmanian Government increase capital funding for the delivery of more social and affordable housing.**
- 2. The Committee recommends the Tasmanian Government conduct an audit of social and community housing to assess bedroom data and**

¹⁹ Submission No. 5, Housing Industry Association.

²⁰ Submission No. 34, Master Builders' Association Tasmania.

disability access and analyse this against the current waitlist demand, and that this audit be tabled in Parliament.

The impact of population growth and market developments on housing supply

2.23 The Committee received considerable evidence about trends and events in Hobart relating to population growth and market developments.

2.24 The Committee heard that Tasmania's population growth has resulted in an increased demand for private rentals. The REIT commented:

An expanding population base and growing need for more residential accommodation is having an inherent impact across all regions of greater Hobart. With population numbers currently around 229,000 and set to grow by approximately 40,000 over the next decade some serious thought needs to be put into our infrastructure and ability to cope with these growing numbers. We have the second lowest population density of all Australia's capital cities at 124 people per square kilometre, well behind Melbourne at 453, and Adelaide at 404. Hobart is Australia's 10th largest city and its size has become its problem. We are too small to be able to cope with significant demand swings. We don't have the resources on hand to meet the challenge.²¹

2.25 Airbnb also commented on the population growth, noting:

In the three months to December 2018, Tasmania's population increased by 0.31 percent or 1,657 people, with an increase of 6,500 people over the previous year – the fastest population growth Tasmania has recorded in 30 years.... it has been reported that in Hobart, for example, new housing supply is failing to keep pace with the rapid population growth by a significant margin.²²

2.26 Further, the submission noted:

By far the biggest driver of rental demand in Tasmania — particularly Hobart — has been the state's rapid (and largely unplanned for) population growth. The latest statistics indicate that the state's population growth in the past few years shows no sign of waning and indeed, is continuing to increase.²³

2.27 The Master Builders' Association of Tasmania also commented on Tasmania's extensive population growth and the impact this is having on available housing:

The latest population projections from the ABS indicate that population growth is on track to remain strong over the coming decades. Last year,

²¹ Submission No. 4, Real Estate Institute of Tasmania.

²² Submission No. 30, Airbnb.

²³ Submission No. 30, Airbnb.

population growth in Tasmania ticked over 1 per cent and added more than 4,000 permanent residents to the community.

Rapidly growing student and tourist numbers are placing additional strain on the housing stock. Last year Hobart topped the list of capital cities in terms of rental price growth and had the lowest residential and hotel vacancy rates in the country.

At current rates, over the next ten years the population of Tasmania will grow by approximately 52,000 people. To account for this, as well as the expected increase in demand from tourism and the international education sector, MBT forecasts new housing demand to exceed 25,000 over the decade.²⁴

2.28 The LGAT submission noted:

As the population grows so, too, does demand for housing. In Tasmania, Hobart experienced the largest population growth (783 persons) between 2017-2018 in absolute terms, followed by Clarence (779 persons), Launceston (594 persons), and Kingborough (586 persons; DTF, 2019). However, this growth is not uniformly distributed across the State, with a number of rural and regional areas experiencing a decline in population during the same period.²⁵

2.29 The Hobart City Mission commented that the changes in migration for Tasmania, are increasing the need for housing:

It was reported recently that net migration to Tasmania in the last year totalled 6,500 people. We are aware that this is net of people leaving Tasmania. Some of the people leaving Tasmania are invariably young people leaving their parents' home, and thus not freeing up a dwelling upon their departure. This would thus suggest an increased need for housing of, in excess of 6,500 people. It would be reasonable to assume this equates to, in the vicinity of at least 2,500 houses.²⁶

2.30 Acknowledging the increasing demand for accommodation, Professor Richard Eccleston, Director of the Institute for the Study of Social Change, told the Committee that there has been a significant increase in rental prices:

...over the last three-and-a-half years. Medium dwelling rental prices in Hobart have increased from around \$330 to \$440 so that is \$5500 to \$6000 a year; these are averages. There are 26 000 households in the private rental market in Hobart. It has been a slow burn because it does not happen immediately, but when leases come up for renewal, they are increasing in price. We are seeing that in the press week in, week out; you are hearing it in your offices. Overall as those leases come through, that is the cost on households.²⁷

²⁴ Submission No. 34, Master Builders Association Tasmania.

²⁵ Submission No. 20, Local Government Association of Tasmania.

²⁶ Submission No. 16, Hobart City Mission.

²⁷ Transcript of Evidence, 4 September 2019, p. 5.

- 2.31 Dr Jed Donoghue, Housing and Homelessness State Manager, The Salvation Army, also told the Committee that supply and demand were at the centre of the issue:

In pure economic terms, it is a question of supply and demand. In the 1990s, there were more vacant properties in the private rental sector. Vacancy rates were usually up to 3 per cent. Now they are under 1 per cent. That is specifically in Hobart, but I think, Launceston and Burnie, the vacancy rates are tightening as well. Prices have tightened as well. It is one of those situations where the pot has been boiling slowly and now it is at boiling point.

.....
There are a number of issues which affect the situation now. Obviously, the increase in university students. The change since 2017 with short stay accommodation - there are over 4000 properties participating in that. That reduces the supply of affordable housing, the supply of rental housing. If the general supply is reduced, or there is more competition for it, which we are seeing, the people who are going to be successful in that, are successful in the market place, successful in terms of tertiary education. In a competitive market, the people with the skills are going to be the winners. The people who are unemployed, who have less skills, less social capital, or economic capital, are going to be the losers. That is what we are seeing. There are a number of factors.²⁸

- 2.32 Stuart Collins, the Executive Director of the HIA, told the committee that although housing affordability has improved across Australia, it has worsened in Tasmania:

It is interesting, when drilling down and trying to get a bit of a feel for whether or not we do have housing affordability issues in Tasmania, because it is not unique to Tasmania. I have had the benefit of working in a number of jurisdictions around Australia... We have seen significant improvement in housing affordability across the country in the last 12 to 18 months. I thought I would have a look at some of the facts and figures that are available to us through our economics group.

Quite clearly, Tasmania has gone the other way.²⁹

- 2.33 Professor Eccleston concurred:

Our broad assessment is that the housing market remains incredibly tight. In the availability of suitable and affordable and stable housing, the conditions have not improved over the last two to three years, notwithstanding various initiatives and investment. The key criteria there are levels of housing stress in the community and particularly the private rental market. The latest data in our work is consistent with this; private rents as a function of income are only marginally behind Sydney, and greater Hobart is one of the tightest rental markets in the country.³⁰

²⁸ Transcript of Evidence, 13 August 2019, p. 44.

²⁹ Transcript of Evidence, 14 August 2019, pp. 87-88.

³⁰ Transcript of Evidence, 15 August 2019, p. 89.

2.34 An increase in interstate and overseas students attending UTAS has placed further pressure on housing supply.

2.35 The REIT commented:

In mid-2015 the University of Tasmania announced that it was aggressively going to grow its student participation numbers with a view to doubling its enrolments over a ten year period. Very quickly student numbers have grown and in particular mainland and international student numbers grew well in excess of 3000 per year. The University only provided a minimal number of in-house accommodation rooms with the vast majority of incoming students required to find their own accommodation from within the private sector. It is not uncommon to have 50 and 100 students inspect and lodge an application.³¹

2.36 According to the Hobart City Mission, university enrolments has also had an impact on the availability of accommodation in areas where UTAS has campuses:

The increase in University enrolments has affected housing availability and affordability in a number of ways. Increased University enrolments impacts the private rental market with increased competition for available rental properties in the open market. This is particularly so in the affordable housing space. In addition, the University of Tasmania has been purchasing hotels to house students, which has drawn “bed nights” out of the tourism accommodation market, thus increasing pressure and demand for further short-stay (Airbnb) accommodation options.³²

2.37 Alderman Damon Thomas commented there are 10 000 international students in Hobart, not just the 5 200 reported by the UTAS:

Mr THOMAS - ... I am the only one in Hobart that knows there are 9900 international students, not the 5200 reported.

Ms O'CONNOR - Can I just pull you up there, Mr Thomas? What is the source of that statistic?

Mr THOMAS - The source is the university publishes 5200 and I created this year, as a result of my decision that the private education providers of vocational education, of which there are 16, had no voice. I formed an association, outside my council role, of private educational providers who are feeling most unloved and unappreciated for the work they do. Their total enrolments are around 4900 and we have that through survey and data that has come from those organisations.

Ms O'CONNOR - To get some clarity, are you saying that the combined international student population between UTAS and the private providers is almost 10 000 students?

³¹ Submission No. 4, Real Estate Institute of Tasmania.

³² Submission No. 16, Hobart City Mission.

Mr THOMAS - Correct.³³

- 2.38 The Committee also heard that a number of market developments in recent years has affected housing supply. In its submission, Airbnb commented on the likely impacts stating:

The Tasmanian Government has recently released an information paper – Housing rental market trends in Tasmania – analysis of recent trends and assessment of data quality – to summarise the housing market context..... According to this paper, the contributing factors in Hobart since late 2016 are ‘high rates of employment growth in Hobart and the South East region; steady population growth in the Hobart region; and increasing house prices.’³⁴

- 2.39 The Committee heard that meeting demand will be a real challenge for Tasmania, based on the fact that Tasmania’s building industry had been depressed, which has contributed to its inability to meet current demands. Mr John Stubley, of the Hobart City Mission told the Committee:

Until approximately five years ago, Tasmania had a largely depressed building industry. Stagnant population growth and a poor economic outlook contributed to a low level of both residential and commercial building activity in Tasmania. This had been the case for a number of years, and appears to be largely cyclical in Tasmania.’³⁵

- 2.40 Mr Stubley said this has affected Tasmania’s ability to retain tradespeople who have migrated to mainland states for work, in periods of absence of work available in Tasmania:

Tradespeople have historically moved to the Mainland to find work in these quiet times.’³⁶

- 2.41 In addition to a lack of tradespeople to build new homes, the Committee heard that State and Local Government planning has not kept up with supply and demand. Mark Berry, CEO, and Tony Collidge, President, of the REIT, commented:

Mr COLLIDGE - One of the comments that everyone is talking about is rising rents. If our house prices have gone up - and again, across all of Australia, people seem to think it is only happening here in Tasmania - if you go from 2000 to 2019, in Tasmania, our housing prices have gone up 305 per cent, so I would assume rents should be going up 305 per cent, because if house prices have gone up, the amount you have to borrow to buy, and your overheads, et cetera, but rents have not gone up anywhere near that much over the period.

³³ Transcript of Evidence, 14 August 2019, p. 16.

³⁴ Submission No. 30, Airbnb.

³⁵ Submission No. 16, Hobart City Mission.

³⁶ Submission No. 16, Hobart City Mission.

Mr BERRY - It is 121 per cent.

Mr COLLIDGE - Yes, 121 per cent over that period.

CHAIR - That is 2000 to 2019, did you say?

Mr COLLIDGE - Yes. Melbourne, for instance, has had the greatest amount of increase, 323 per cent, Canberra 299 per cent, so our 305 per cent isn't something out of the pan that has just happened here. It is all driven by demand and supply.

My argument is that if we can increase supply we can create more homes. More homes means there is more choice, and more choice means there is less increase because there are more properties available for sale. It is the critical shortage of property that we have that has caused prices to increase over this last four years. To my mind, it is a failure of planning to an extent by the state government, but more so by the Hobart City Council. They are reactive; every single time something happens it is always reacting to a situation. I find it really frustrating when they then come out and want to blame Airbnb.³⁷

- 2.42 Peter McGlone from the Tasmanian Conservation Trust, considered that governments had not acted to adequately offset market developments and population growth:

*The problem of housing affordability is the result of decades of private house prices rising faster than wages as well as inadequate investment by state and Federal governments into government housing. There are myriad factors that have contributed to the widening gap between house/rent prices and wages and the committee can easily find a range of expert analysis regarding this problem.*³⁸

- 2.43 This view was echoed by a number of other organisations, all who considered the Tasmanian Government needed to take a more interventionist approach. Shelter Tasmania considered that there is a need for the Tasmanian Government to take a broad approach to its policies:

*Shelter Tasmania has called repeatedly for a housing impact assessment for all relevant government policies, such as population growth. Without this broad strategic approach, and without an accompanying commitment to increase the proportion of affordable rental housing, Tasmania's increasing population will increase the number of Tasmanians experiencing housing hardship, rental stress and the risk and reality of homelessness.*³⁹

³⁷ Transcript of Evidence, 13 August 2019, p. 80.

³⁸ Submission No. 37, Tasmanian Conservation Trust.

³⁹ Submission No. 33, Shelter Tasmania.

- 2.44 TasCOSS considered that part of the problem is that there is a lack of understanding about the scope and scale of current housing affordability issues in Tasmania:

There is still no evidence based understanding of the scale or scope of the housing affordability challenges Tasmanian faces right now, or any projections for the decade ahead.⁴⁰

- 2.45 TasCOSS quoted UTAS researcher Dr. Lisa Denny in their submission, pointing to the Government's lack of understanding of what was causing Tasmania's population growth, as an issue. Dr. Denny was quoted saying:

Better understanding of the motivation to relocate to Tasmania would help address the critical missing link in the Population Growth Strategy; a comprehensive plan for addressing the likely infrastructure and social service needs of a growing and changing population. Based on ensuring the state has the capacity to appropriately service its population, the plan should also aim to enhance Tasmania's urban and natural environment... In the immediate term, population policy needs to address housing and schooling provision as well as traffic congestion and health services.⁴¹

- 2.46 Dr Denny also stated:

Tasmania's Affordable Housing Strategy 2015-2025 identifies part of the need but it does not encompass need across sectors, including; accommodating temporary workforces, such as those working on the Royal Hobart Hospital redevelopment; visitors; international students; short-term and permanent migrants in skilled visas.⁴²

Findings

- 2.47 The Committee finds that there are a number of market factors at play that have caused the housing shortage in Tasmania. These factors include the increased tourist numbers, increases in population, the increasing numbers of students at the UTAS and an increase in short stay accommodation listings.
- 2.48 The Committee finds that rising house prices and low wage growth, have led to less Tasmanians being able to afford to purchase their own home. This results in more people looking to rent than previously.
- 2.49 The Committee finds that there is a lack of evidence based understanding of the scale and scope of the challenges of housing affordability and availability and there is a need for better long term planning to address the issue.

⁴⁰ Submission No. 36, TasCOSS

⁴¹ Submission No. 36, TasCOSS.

⁴² Submission No. 36, TasCOSS.

- 2.50 Accordingly the Committee considers there is a need for a long-term plan with evidence based policy governing how to deal with housing affordability and availability, encompassing population growth strategy, infrastructure, social services and tourism.
- 2.51 The Committee finds that UTAS has a social and economic responsibility to invest in adequate accommodation for its increasing domestic and international student population.

Recommendations

3. **The Committee recommends that the Tasmanian Government engage directly with UTAS to confirm plans to provide additional accommodation to meet demand from domestic and international, students and staff.**
4. **The Committee recommends that the Tasmanian Government develop an evidence based 25-year plan to 2050, governing how to address housing affordability and availability in Tasmania.**
5. **The Committee recommends that the Tasmanian Government partner with peak bodies from the social and economic sectors and UTAS, to research future demand and to include projected demand by local government area, and type of housing required.**
6. **The Committee recommends that the Government update its Tasmanian Population Growth Strategy to 2050 to ensure affordable housing and related services are included as critical infrastructure, and incorporated in planning for sustainable population growth.**

Increased tourism & the rise of short-stay accommodation

- 2.52 Growth in the tourism industry in Tasmania, particularly the short-stay accommodation sector, has negatively impacted the amount of affordable long-term rental accommodation. Dr. Julia Verdouw and Professor Richard Eccleston from the Institute for the Study of Social Change, noted:

In Tasmania, the tourism sector has grown quickly and become increasingly important to the state. In the year to December 2018, the number of

international visitors increased by 11%, outstripping the pace of growth in all other states and territories. Total tourist numbers in the state rose by four per cent to 1.32 million. These visitors are, on average, staying longer and spending more: both the number of nights tourists spent in the state and their total spending both increased by 5%.

Airbnb-style accommodation, including bed and breakfast establishments, also enjoyed strong growth, with an 8% jump in visitor numbers.

But there have also been losers. Tasmania faces significant housing challenges, including an acute shortage of affordable long-term rental accommodation, particularly in Greater Hobart. Housing shortages have worsened as the short-stay accommodation sector has expanded.⁴³

- 2.53 Further, in its submission, the REIT stated the failure of local government to approve sufficient tourist accommodation is a significant contributor to rental affordability:

From 2014 to 2017 tourists numbers coming to Tasmania increased by more than 200,000 or approximately 3800 per week. Numbers increased a further 3% in 2018.

.....
The failure of both State and particularly Local government to be proactive in encouraging tourist accommodation ventures has been a major failing and has contributed significantly to the current situation we find ourselves in.⁴⁴

- 2.54 The Hobart City Mission also commented on the increased number of tourists visiting Tasmania, noting:

It would seem that the popularity of MONA, and the draw of tourists to Tasmania significantly contributed to the increase in both the number of tourists “discovering” Tasmania, and also changing the perception of Tasmania and its people. In crude terms, Tasmania stopped being full of “two-headed Tasmanians” and suddenly was a must visit cultural and natural hub with a lifestyle that is the envy of the country.

This, combined with a State Government that has been keen to promote Tasmania and support tourism developments, has helped increased the popularity of Tasmania as a tourist destination.

These factors have seen a dramatic increase in the number of tourists coming to Tasmania, and the amount of time they are spending in Tasmania. This clearly impacts demand for tourist accommodation, which includes short-stay (or Airbnb) accommodation.⁴⁵

⁴³ Julia Verdouw and Richard Eccleston, Institute for the Study of Social Change, University of Tasmania *Insight Eight – Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform*, Institute for the Study of Social Change, University of Tasmania, p. 1.

⁴⁴ Submission No. 4, Real Estate Institute of Tasmania.

⁴⁵ Submission No. 14, Hobart City Mission.

2.55 Airbnb commented on the positive impacts of increased tourism, stating:

A recent report by Deloitte Access Economics – Economics effects of Airbnb in Australia: Tasmania – found that Airbnb guests who stayed in Tasmania spent \$86 million, which supported 599 jobs and contributed \$55 million to the State’s GSP. In the greater Hobart region alone, Airbnb guest spending supported 417 jobs, supporting local businesses throughout the city, including areas that would not ordinarily benefit from the visitor economy.

.....
.....
(Airbnb) provide(s) a wide range of choices across all price points and in locations across Tasmania. With Tasmania’s visitor economy continuing to grow at or around three percent per year, Airbnb plays a vital part in providing accommodation for visitors to Tasmania. Airbnb also provides important additional accommodation capacity for the visitor economy during specific events, such as this year’s Dark Mofo when more than 6,000 guests stayed with an Airbnb host during the event.⁴⁶

2.56 The Committee heard that one response to increased visitor numbers has been the increase in people offering their properties as short-stay accommodation. Several submissions point to this increase of short-stay accommodation as negatively affecting available housing supply. However, the Committee notes that it did not receive relevant data to provide a complete picture.

2.57 The REIT stated:

As we did not, and still don’t have enough hotel, motel, or apartment accommodation rooms to cater for the growing serge (sic) of tourists coming to our shores homeowners saw an opportunity to open their dwellings to the tourists. Income obtained from Airbnb lettings was far superior to long term rental returns causing some investors to transition their properties to this form of rental. Between 2016 and 2018 Airbnb numbers soared to a level where they have grown to in excess of an estimated 3000 properties across greater Hobart.⁴⁷

2.58 When private landlords can make more money from Airbnb, it becomes an attractive option for investors. The REIT gave the following example:

My company managed a 4 bedroom property in Sandy Bay which was a long term rental bought its owners \$29,000 rental income per annum. It converted to Airbnb and gross income last year was \$86,000 (and after outgoings netted \$65,000).⁴⁸

⁴⁶ Submission No. 30, Airbnb.

⁴⁷ Submission No. 4, Real Estate Institute of Tasmania.

⁴⁸ Submission No. 4, Real Estate Institute of Tasmania.

- 2.59 The REIT also pointed to a number of reasons why investors turn to Airbnb instead of standard rentals including:

The landlord has control of the property and lettings. They are not at the mercy of the current tenancy legislation which dramatically impedes their rights.

- *Had a bad experience with long term tenants*
- *Instead of selling their home to buy another the high returns from Airbnb made it possible to keep their old home (Airbnb it) while using its equity and the Airbnb income to meet mortgage payments to purchase their new home.*
- *People specifically purchased to Airbnb.*
- *Some landlords love the Airbnb experience and sharing their home with others.*⁴⁹

- 2.60 REIT continued:

*It is interesting to note that many Airbnb owners would sell their properties before moving to long term rental. Location is the important ingredient for Airbnb. You don't see many Airbnb properties in the outer suburbs of greater Hobart. We are seeing the number of Airbnb properties increase around the state as the lack of tourist accommodation in other regions is unable to meet demand.*⁵⁰

- 2.61 Accordingly, REIT considered Airbnb properties in Hobart would decline if more tourist accommodation became available:

*It is important to note that the highest saturation of Airbnb properties is in the Hobart municipality; relatively close to the CBD. As further hotels and inner-city accommodation comes in line we believe the Airbnb numbers will continue to decline.*⁵¹

- 2.62 Tony Collidge, President of the REIT, also considered that short stay accommodation and specifically the growth in Airbnb had been used as a scapegoat for the housing affordability issues being experienced in Tasmania:

*It is the critical shortage of property that we have that has caused prices to increase over this last four years. To my mind, it is a failure of planning to an extent by the state government, but more so by the Hobart City Council. They are reactive; every single time something happens it is always reacting to a situation. I find it really frustrating when they then come out and want to blame Airbnb.*⁵²

- 2.63 The Tenants' Union of Tasmania pointed to short-stay accommodation as being a contributor to reduced supply and rising rents in Tasmania, noting:

⁴⁹ Submission No. 4, Real Estate Institute of Tasmania.

⁵⁰ Submission No. 4, Real Estate Institute of Tasmania.

⁵¹ Submission No. 4, Real Estate Institute of Tasmania.

⁵² Transcript of Evidence, 13 August 2019, p.80.

There is clear evidence that short stay accommodation has a negative impact on Tasmanian tenants, particularly in Hobart. Short stay accommodation has likely caused median rent in Tasmania to increase by hundreds of dollars per year, and reduced supply by hundreds of homes. In our 2018 submission to the Legislative Council Select Committee on Short Stay Accommodation in Tasmania we noted that rental stock in the Hobart City Council municipality has decreased by 6.1 per cent and in Greater Hobart by 2.8 per cent, and that Airbnb listings comprise 40 per cent of rental stock in Glamorgan/Spring Bay and 17 per cent in Break O'Day municipalities.⁵³

2.64 Lesa Whittaker, a real estate agent from St Helens said:

We have noted considerable rent increases in the past few years. Several factors include:

- shortage of rentals pushing the weekly rents up*
- mainland investors purchasing & renting at inflated prices*
- numerous properties converting to AirBnB, due to no regulations.⁵⁴*

2.65 Ms Whittaker also commented on the short-stay accommodation increase in Tasmania's North-East, noting:

The number of properties registering change of use (generally Airbnb) in the Break O'Day Area – 2017-2018: 36; 2018-2019: 27. Total 63 properties that could be rental properties.⁵⁵

2.66 In its submission, TasCOSS also commented on this increase in short-stay accommodation, noting the *Short Stay Accommodation Act 2019* will deliver a data sharing partnership to rectify the lack of data in this area:

Between 2016 and 2018, the Airbnb listing in Tasmania increased by 162% from 1,827 listings to 4,783 (UTAS Housing Update August 2018). TasCOSS has previously commented on the need to address the effects of the growth of the short stay accommodation sector. We note that legislation has been introduced which delivers a data sharing partnership with booking platforms offering short stay accommodation in Tasmania, which will go some way to helping state and local government understand how much short stay activity there is in the State.

We believe, however, that depending on what the data reveals, state and local governments need to be open to the need to further measures, such as those canvassed in the TasCOSS Short Stay Accommodation submission to the Legislative Council in 2018. This submission also points to measures in other jurisdictions that have been successful in striking a balance between tourism accommodation needs and the needs and rights of residents to affordable housing that is accessible to services.⁵⁶

⁵³ Submission No. 8, Tenants Union of Tasmania.

⁵⁴ Submission No. 10, Lesa Whittaker, Harcourts St Helens.

⁵⁵ Submission No. 10, Lesa Whittaker, Harcourts St Helens.

⁵⁶ Submission No. 36, TasCOSS.

- 2.67 The Hobart City Mission commented on the rise of short-stay accommodation and how this has affected the available private rental stock, noting:

Our staff experienced a sudden and noticeable reduction in the availability of properties for long-term rental in October and November 2017, a few months after the regulatory environment of the short-stay accommodation market was clarified. Properties available for long-term rental almost ceased to exist in that very short period.⁵⁷

- 2.68 Anglicare also commented in its submission about the limited properties available for renters in the private market, noting:

... the private rental vacancy rate for Hobart has been declining since 2013 and is at an all-time low, while Hobart rents increased in price by 21% from March 2013 to March 2018 (Department of Treasury and Finance 2018, p. i). Anglicare clients tell us they are competing against 40 or more other prospective tenants each time they apply for a private rental property, leaving more vulnerable families at a competitive disadvantage.

The rapid expansion of short-stay accommodation is having a negative impact on the availability and affordability of long-term rentals in Tasmania (Institute for the Study of Social Change 2018a). According to Inside Airbnb, Airbnb property listings have increased in Tasmania from 2,874 in February 2017 to 4,459 a year later, with three-quarters of listings being for the entire property (Inside Airbnb undated). Many of these properties would have previously been homes for people in the rental market.⁵⁸

- 2.69 The Youth Network of Tasmania (YNOT) also considered that the short-stay accommodation had increased competition and demand on the Tasmanian private rental housing market:

With an unregulated short-stay tourist accommodation industry, thousands of properties have been removed from the Tasmanian housing market. This has further compounded the effects of Tasmania's low housing supply on the current rental market with high demand and competition in many locations throughout the State. In Hobart, rental prices have increased by 44% since 2009, surpassing the growth of every other capital city in Australia. This change has not been reflected in wages with Tasmania reporting the lowest average ordinary full time earnings in the country.⁵⁹

- 2.70 Shelter Tasmania made similar comments:

Population growth increases competition for the limited supply of rental properties. This supply is further depleted by the demand from short-stay

⁵⁷ Submission No. 16, Hobart city Mission.

⁵⁸ Submission No. 19, Anglicare.

⁵⁹ Submission No. 29, Youth Network of Tasmania.

visitors seeking accommodation. The increase in tourism numbers is another form of population growth that demands accommodation. Between 2016 and 2018, the Airbnb listings in Tasmania increased by 162% from 1,827 listings to 4,783 (UTAS Housing Update August 2018).

The short-stay accommodation industry has a significant impact on the homelessness and affordable housing sector in Tasmania. Research, statistical analysis and feedback provided by our members show that increases in short term accommodation displace long term rental properties from the housing market. For example, the University of Tasmania's Institute for the Study of Social Change has stated that "We may not know exactly how many of the 2,055 high filter entire homes currently listed on Airbnb in Tasmania have been taken out of long term housing supply, but mounting evidence, both here in Tasmania and beyond, suggests that the 'conversion rate' in inner city markets in particular is likely around 75%." In a context of an absolute shortage of housing, historically low vacancy rates in rental housing and not enough new supply, this loss of rental properties has substantial impact on housing and homelessness services and the low income and vulnerable Tasmanians they assist.⁶⁰

- 2.71 The Committee heard in evidence from Dr. Julia Verdouw, Research Fellow, UTAS, Housing and Research Unit, who is researching short-stay accommodation and its impacts, who noted:

*Taking into account a range of factors, we estimate that between 2016 and 2018 short-stay accommodation growth contributed to a loss of close to 400 dwellings in Hobart LGA, which is about 5.6 per cent of the rental market in the area and nearly 670 dwellings across greater Hobart. Clearly, this is going to impact rental supply and housing affordability. It is a significant driver of our housing affordability challenges.*⁶¹

- 2.72 While the majority of evidence received by the Committee focused on market developments in central Hobart, observations were also offered about regional Tasmania, including the Break O'Day Council area. Women's Health Tasmania (WHT) commented that the impact of Airbnb has been particularly felt in the North of the State:

Women from St Helens, Binalong Bay, Coles Bay, Bicheno and Scamander identified the impact of Airbnb's as a major cause of homelessness and housing stress in their area. They nominated the proliferation of Airbnb's as the single greatest challenge to that community's health and wellbeing.

*Our state wide survey also saw housing and homelessness as a particular concern for women in the Hobart, Channel and Bruny areas – parts of Tasmania also particularly impacted by short-stay accommodation.*⁶²

⁶⁰ Submission No. 33, Shelter Tasmania.

⁶¹ Transcript of Evidence, 15 August 2019, p. 93.

⁶² Submission No. 6, Women's Health Tasmania.

- 2.73 Airbnb however, argued the impact of short-stay accommodation has not been that significant, instead suggesting it is assisting in allowing some individuals to be able to stay in their homes:

In the past twelve months to June 1st 2019, our homes community welcomed over 422,800 guests across the state – both domestic and international travellers – in 5,600 active Airbnb listings in Tasmania.

Importantly, Airbnb plays a crucial role in helping people remain in their homes and communities by providing them with the ability to supplement their income. In 2017, fifty percent of Airbnb hosts in Tasmania said that sharing their spaces on our platform helped them afford to stay in their homes, 45 percent said they used their Airbnb earnings to make ends meet, and 20 percent of hosts said their Airbnb earnings went directly to their housing costs, such as paying their mortgage or rent.⁶³

- 2.74 Airbnb further commented:

Despite our integral role in the Tasmanian visitor economy, Airbnb's role in the broader Tasmanian housing market is minimal. The vast majority of Airbnb hosts are local Tasmanians looking to supplement their income by sharing their own home and primary place of residence. For many of these hosts, sharing their space and making extra income is an economic lifeline.⁶⁴

- 2.75 In 2019, the *Short Stay Accommodation Act 2019* (TAS) was enacted. The Tasmanian Government commented in its submission that:

The development of the Short Stay Accommodation Act 2019 (SSA Act) was in response to opportunities identified at the 2018 Housing Summit. The SSA Act delivers a data sharing partnership with booking platforms that offer short-stay accommodation in Tasmania.

The SSA Act serves two important roles. It ensures that everyone is abiding by the current permit requirements for short-stay accommodation, and shows the extent that housing, including former long-term rental accommodation, is being used for short-stay accommodation in Tasmania.⁶⁵

- 2.76 The Tasmania Government submission continued:

The SSA Act applies to both new and existing property listings in residential areas, and requires certain information about the property, including permit numbers, to be supplied to the website operator, which in turn must report all listings and associated details to the Tasmanian Government on a quarterly basis. The information collected will be used to ensure compliance with the planning requirements and to assist with further policy development on short stay accommodation in Tasmania. The information may also be used to ensure

⁶³ Submission No. 30, Airbnb.

⁶⁴ Submission No. 30, Airbnb.

⁶⁵ Submission No. 26, Tasmanian Government.

compliance with building, health and safety requirements. Aggregated and other non-privacy sensitive information may be published on the use and extent of short stay accommodation.⁶⁶

2.77 In their submission to the Committee, LGAT also commented on the *Short Stay Accommodation Act 2019* saying:

Anecdotal evidence suggests that the supply of residential properties in some locations is being reduced by the conversion of long-term rental housing into short-term holiday accommodation. While these services have positively contributed to Tasmania's tourism boom and economy, further evidence is needed in order to fully understand the issues and extent to which residents are being displaced as a result of short-stay accommodation.

The Short Stay Accommodation Bill 2019 came into effect earlier this year. This Act introduces measure for collecting information on short stay accommodation in Tasmania with the aim of providing Local Government with the data necessary to enforce existing planning requirements and to allow a better understanding of the impacts of short stay accommodation on the housing market.

Local Government welcomes the introduction of these measures, as it was one of the key recommendations of our submission to the Legislative Council Select Committee on short stay Accommodation in Tasmania. This provides an important first step, it is critical that this data is monitored at a statewide and local level and where necessary policy responses are adapted over time to respond to the appropriate scale.⁶⁷

2.78 TasCOSS recommended in their submission that:

Airbnb and Stayz should support the State Government through requiring proof of compliance for all their current and prospective listings to ensure they are not promoting illegal accommodation operations.⁶⁸

2.79 Dr. Verdouw commented on what she felt were the limitations of the legislation, noting that:

However, the legislation remains limited in significant ways. Compliance is going to remain difficult to ensure, primarily because there is not enough data capture to do so. There is no requirement for information about bookings such as occupancy rates. There is really no direct way for us to ensure, or anyone to ensure, a host claiming they do not need a permit is not actually a commercial listing. In this sense, it continues to be a bit of a trust-based system. Research tells us over again regulation is more effective if hosts are targeted for compliance, but that requires data and resourcing.⁶⁹

⁶⁶ Submission No. 26, Tasmanian Government.

⁶⁷ Submission No. 20, Local Government Association Tasmania.

⁶⁸ Submission No. 36, TasCOSS.

⁶⁹ Transcript of Evidence, 15 August 2019, p. 93.

2.80 A number of other witnesses also considered there was a need for further regulation of short-stay accommodation. The YNOT called for the regulation of short-stay accommodation to 'encourage investment in the private rental market.'⁷⁰

2.81 Similarly, the Tenants' Union of Tasmania called for regulation, commenting in its submission:

The benefits of unregulated short stay accommodation do not offset the costs. As such, we support sensible regulations that have been adopted by some of the most visited locations in the world, including New York, San Francisco and Barcelona.

...

In particular, we strongly recommend:

Use of investment properties for short-stay accommodation to be prohibited within Greater Hobart and other areas where the impact on local communities has been detrimental;

And outside Greater Hobart, use of investment properties for short stay accommodation to be restricted to 60 days per annum;

And hosts to be required to register their listing with Government, and be permitted only one listing at any one time;

And CBOS be given the power to penalise hosts, providers or guests that do not comply with regulations, and/or cause a nuisance to neighbours.⁷¹

2.82 Dr. Verdouw also argued for stronger regulation:

Yes, our position would be that regulating, certainly to a greater extent than what can probably be called at the moment a regulated deregulation, is required to reduce some of the pressures that Airbnb is bringing into the market.⁷²

2.83 Dr. Verdouw commented further, noting:

In the work we've looked at in terms of regulating, there are some really key, more effective types of regulation and permit systems, frameworks that have a permit system that's well thought out and has different permit types that then can be adjusted according to what's going on, and the needs in local areas.⁷³

.....

We don't have the flexibility on our systems at the moment in the Hobart LGA to put caps on nights, on bookings available per year for a listing, for example. Another effective response is putting a freeze, or a moratorium, on the number of permits that can be issued. Our data at the moment shows that in Hobart

⁷⁰ Submission No. 29, the Youth Network of Tasmania.

⁷¹ Submission No. 8, Tenants Union of Tasmania.

⁷² Transcript of Evidence, 4 September 2019, p. 5.

⁷³ Transcript of Evidence, 4 September 2019, p. 6.

LGA in January there were 1270 listings. We would say of those high-filter property listings, those more likely to be investment style property listings number about 530. I think that's about right.

Another indicator of commercial style listings are multi-listings – they're the hosts who have more than one or more property. They sit at about 600, so about half of all property listings in the Hobart LGA. We would probably say that you'd want to be capping somewhere around 530 and 600 listings if we're in a really pressured market. The ability to freeze permits is a really effective mechanism that we don't have at the moment. It would be great to see that sort of thing.⁷⁴

- 2.84 Dr. Katrina Stephenson, CEO, LGAT, pointed to the need to collect more comprehensive data in order to assess the need for further regulation of short-stay accommodation:

We have jointly advocated in relation to data with TasCOSS, the Tourism Industry Council and Shelter Tasmania. It is very hard to make policy decisions in the absence of a strong quality data set. Our view was that government should be driving the collection and oversight of that data, then being able to provide that overlay with council's planning decisions. It was particularly an issue in calls regarding compliance. It is very difficult for councils to manage non-compliance with a non-permitting system because they simply didn't know what they didn't know.⁷⁵

- 2.85 Anglicare feels that while the recent legislation on short-stay accommodation is a positive step, it should go further:

Anglicare welcomed the Tasmanian Government's recent focus on the impacts the short-stay accommodation industry is having on the broader housing market and made some recommendations to strengthen the Bill, which we repeat here. We believe owners of properties in the short-stay accommodation market should identify whether their property (whole property, room or ancillary dwelling) has previously been used for long-term rental. We noted that ancillary dwellings had not been included in the legislation, and should be. Further, we recommended that data collected through compliance and penalties should be published, with regional and local government analysis, and used to inform public policy, including current and future Affordable Housing Strategies.⁷⁶

- 2.86 Other witnesses including John Stubley, CEO, Hobart City Mission, were concerned of the potential on-flow effects of the further regulation of short-stay accommodation:

Ms O'CONNOR - That's an interesting observation because there are a number of jurisdictions which have made the move to regulate short stay. What they

⁷⁴ Transcript of Evidence, 4 September 2019, p. 6.

⁷⁵ Transcript of Evidence, 15 August 2019, p. 44.

⁷⁶ Submission No. 19, Anglicare.

realised is that the locals are being pushed out of homes. Can't you see that the market is going to take a while to pick up the slack in the tourism sector, so some kind of regulatory response needs to be considered, given how long it will take to build the hotels?

Mr STUBLEY - I'm not sure what that response could look like. I certainly believe there needs to be regulation around quality and that it has council approval if, for no other reason, that people may well find that their insurance is invalid if it's not an acknowledged, recognised, council-approved short-stay accommodation premises.

I wonder what the outcome of that is in a market where there is a dramatic shortage of beds. There is always a consequence. If you have tourists coming to the state and they cannot find accommodation, what is the market response to that going to be? Do we end up with tourists living in their cars while they are down here on holidays because they thought they could just drive around and get accommodation? You, therefore, run the risk of damaging the tourism industry.

In my sector that is not my concern. The point of my submission is to try to contemplate what the overall systemic issues are and not how we address the smaller components of it. I take your point. I am not sure how it has worked in places like the ACT. I don't have a sense of that. I am concerned that trying to regulate short-stay accommodation to restrict the number of properties available is going to have implications elsewhere.⁷⁷

2.87 Tony Collidge, President of the REIT, also considered there could be flow on effects if short stay accommodation is regulated in Tasmania:

The other thing is, okay, let's put a restriction on Airbnbs. What is happening with the tourists coming here? All of a sudden you can't cater for a couple of hundred thousand tourists. Those tourists probably generate 2000 to 3000 jobs. All of a sudden people have to let those jobs go. It does have a flow-on effect and you have to look holistically at what is happening. We could drop 1000 properties into Hobart tomorrow and I could guarantee we would sell them all in six months. That is in inner Hobart. The current regime does not want to do that, or seem anti-doing that, or they are being tight in doing it, but I don't think the planning scheme helps or encourages that.⁷⁸

Findings

2.88 The Committee finds that short-stay listings are predominantly in greater Hobart, noting visitor accommodation has failed to meet demand. The increase in short stay accommodation has led to a decrease in the available private rental properties, which in turn, has resulted in higher rents.

⁷⁷ Transcript of Evidence, 15 August 2019, p. 15.

⁷⁸ Transcript of Evidence, 13 August 2019, p. 81.

- 2.89 The Committee notes that in high tourist demand areas in regional Tasmania, short stay accommodation can be a higher proportion of the available housing stock, leading to disruption in the market.
- 2.90 The Committee notes that the *Short-Stay Accommodation Act 2019* provides for data collection to assist in policy development. The Committee also notes that the first round of data about short stay accommodation in Tasmania is to be collected in late 2019. At the time of writing, the data was not yet available.
- 2.91 The Committee notes that while it received anecdotal evidence about the increase in short stay accommodation listings in Tasmania, and specifically in tourist attracting areas and in Greater Hobart, that without comprehensive data to support this, it is difficult to develop a full understanding of the situation.
- 2.92 The Committee notes the UTAS Institute for the Study of Social Change report, *Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform*, which provides preliminary data on the short stay sector. The report puts forward recommendations for stronger regulation including, caps on visitor nights, and temporary freezes on new listings of entire dwellings.⁷⁹
- 2.93 The Committee finds the short-stay accommodation sector is in need of greater regulation.

Recommendations

7. The Committee recommends the Tasmanian Government develops a more sophisticated and flexible approach to regulating the short stay accommodation sector in areas of high demand for affordable housing.
8. The Committee recommends the Tasmanian Government place a freeze on the number of short stay accommodation permits that can be issued for entire dwellings in areas of high demand for rental housing until market conditions ease.
9. The Committee recommends the Tasmanian Government examine evidence in support of placing a cap on the number of nights that properties can be used for short-stay accommodation in the Hobart area and other parts of Tasmania where there has been a shift towards short-stay accommodation at the expense of long-term rentals.

⁷⁹ Verdouw, J., & Eccleston, R., 2019, *Insight Eight Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform*, Institute for the Study of Social Change, University of Tasmania.

10. The Committee recommends the Tasmanian Government develop a system to ensure short-stay accommodation complies with the Tasmanian Government's Visitor Accommodation Standards, planning directives, safety and other requirements for Bed and Breakfast (B&B) accommodation providers, to ensure a similar level of statutory obligations.
11. The Committee recommends the data collected through compliance with the *Short Stay Accommodation Act 2019* should be published and include regional and local government analysis.
12. The Committee recommends the Tasmanian Government to form a steering Committee including representatives of UTAS, Shelter Tasmania, TasCOSS, LGAT, HIA and Neighbourhood Houses Tasmania (NHT) to advise on appropriate policy measures in response to short stay accommodation data.

Need for a long-term strategy

- 2.94 The Committee heard that lack of previous action had resulted in the increased demand for social housing. Alderman Damon Thomas, from the Housing with Dignity working group, commented:

The first thing is, and it is not their own fault, a lot of the people who are still the spokespeople from either Government or from some of the public agencies the shelters and others. They were here when as Lord Mayor we were encouraging investment in 2011 to 2014. They were here when the cranes started to come, they were here when the Chinese President came, they were here when the tourists flights started to come. Ladies and gentlemen sorry, they were asleep at the wheel. Anybody in government has access to other parts of government agencies. They have access to tourism. They have access to every agency dealing with the influx of state growth. But there was nothing seen on the horizon in 2014, 2015 and 2016 that directly led to what we are in now. This crisis should have been seen by the very bodies and support agencies now sitting at every conference we go to and looking as if they were not involved, but they were involved. The disgrace was we lost the best operating Common Ground model in Australia, and that is disgusting.⁸⁰

⁸⁰ Transcript of Evidence, 14 August 2019, pp. 23-24.

Findings

- 2.95 The Committee finds that a lack of forward planning, and increased demand for social housing without any substantive increase in its supply, has exacerbated the current housing crisis.
- 2.96 The Committee is concerned that this lack of forward planning continues to be an issue in government housing policy in that the current Housing Affordability Strategy has no action plans beyond 2023. It is noted that the Committee has recommended earlier in this Chapter that a 25 year plan be developed to address housing affordability.

3 SOCIAL ISSUES RELATED TO HOUSING INSECURITY

- 3.1 This Chapter considers a number of social issues on which the Committee received evidence, including the changing profile of people experiencing homelessness, the experience of people in housing stress or who are homeless, factors contributing to housing stress and homelessness, the relationship between housing, health and education, and related matters.

Changing profile of people experiencing homelessness

- 3.2 The Committee heard that there is a changing profile of people experiencing homelessness or who are at risk of homelessness due to the tight rental market. Scott Gadd from the Royal Agricultural Society of Tasmania noted that there:

... was a noticeable number of people declaring themselves homeless who we felt would otherwise not usually been homeless. By this I mean individuals and families who had steady incomes from workers who had previously occupied rental accommodation without issue.⁸¹

- 3.3 Further, he saw:

Families who had been in secure rental accommodation for a long term but who could no longer simply afford the rental increases.⁸²

- 3.4 Similarly, Kym Goodes, CEO of TasCOSS, commented on the changing face of homelessness and housing stress:

Ms O'CONNOR - We have had quite a bit of discussion with witnesses who have come to the table about the changing demographics of people who are in housing stress, distress, homeless or in risk of it. Do you have any observations on the profile of people who are now presenting to services for support?

Ms GOODES - Yes, quite a few. Our emergency service providers tell us that they have as many people who are waged coming through their door now as they do people who are living fully on income support. The general example of that is that once people have paid their rent, occasionally a mortgage but predominately rent, and put food on the table, they need to come and get food every time a bill hits. They have to keep paying their rent to stay in their accommodation, in their home, so they then have very challenging decisions to make. We are talking about people, some of whom have long-term stable employment but quite low-income stable employment.⁸³

⁸¹ Submission No. 1, Royal Agricultural Society of Tasmania.

⁸² Submission No. 1, Royal Agricultural Society of Tasmania.

⁸³ Transcript of Evidence, 13 August 2019, p. 92.

- 3.5 Andrea Witt, General Manager of Housing and Homelessness, CatholicCare, also observed a change in those seeking assistance:

Historically, we would see a range of people accessing homelessness services and our welfare programs who were quite often disconnected from community. They may have had a range of different episodes in their life that had resulted in them needing to access services and that could be family relationship breakdown, mental illness, job loss, a range of factors external to the individual in choices that they make.

We are now seeing a much broader client cohort coming through. We are seeing people who are trying to maintain employment, working on low incomes. The income bracket we are seeing is increasing significantly. That is not just within our homelessness or at-risk tenancy support programs. That is also within our emergency relief programs, it is within our clinical services and we see now more than ever a lot more families and a much higher volume accessing services.⁸⁴

- 3.6 John Stuble, CEO, Hobart City Mission, noted a rise in the number of people seeking assistance, as well as an increase in the number of employed people and families who are finding it difficult to make ends meet and who are seeking help:

We are seeing an increase number of people who approach us, such that we are turning away half as many as we support. We are seeing more of what we call the working poor. Five years ago they were people who were living on government benefits and often had bill shock - an unexpected bill that meant they couldn't afford this week - but more and more we are seeing working people, some with a mortgage, who quite simply cannot make ends meet and, again, that might bill shock.⁸⁵

- 3.7 Women's Health Tasmania (WHT) noted that older women were another demographic who were increasingly vulnerable to homeless:

Research has found that women are more likely than men to experience homelessness for the first time later in life. This is due to Australia's socioeconomic environment, that is, the gendered expectations around caregiving, inequities in pay for men and women, and the fact that women live longer than men on average.⁸⁶

- 3.8 This changing and expanding number of people seeking assistance from their services has meant increased caseloads for service providers. Andrea Witt, General Manager of Housing and Homelessness, CatholicCare, noted:

⁸⁴ Transcript of Evidence, 14 August 2019, p. 80.

⁸⁵ Transcript of Evidence, 15 August 2019, p. 18.

⁸⁶ Submission No. 6, Women's Health Tasmania.

Historically, we were able to have caseloads within our homelessness services of around 15 to 20 and now we are seeing well over 30, for each worker. What that means is that many of our programs are not able to work with the intensity that is required to sustain independence long-term. What that also means is that when we are able to place people in houses, we are very aware of the fact that many of them probably will not be able to maintain that accommodation long-term, which means we will see them again.⁸⁷

Findings

- 3.9 The Committee finds that the demographics for people facing homelessness and housing stress has expanded over recent years with employed people on low incomes, women and children fleeing domestic violence, older women, migrants, and young people joining welfare recipients as people in need.
- 3.10 The Committee finds that caseloads of community service providers are increasing and providers are finding it increasingly difficult to provide long-term accommodation and support for the increased number of people experiencing homelessness or housing stress.

Experiences of Tasmanians in housing stress or homelessness

- 3.11 In order to analyse the experiences of Tasmanians in housing stress and homelessness, it is necessary to first define what is meant by housing stress and homelessness. Housing Stress has been defined by Australian Housing and Urban Research Institute (AHURI) as:

Housing stress, when households have to pay too large a proportion of their income in housing costs (and thereby reduce spending on other essentials such as food and health), is the result when housing costs rise too far above household incomes.⁸⁸

- 3.12 Housing stress was discussed as a significant issue in a number of submissions and in verbal evidence. Anglicare defined housing stress as 'a household in the lowest 40% of Australia's household income that spends more than 30% of its income on rent or mortgage payments. Extreme rental stress is defined as spending at least 50% of a household's income on rent.'⁸⁹
- 3.13 Likewise, the Australian Bureau of Statistics puts forward the following definition for homelessness:

⁸⁷ Transcript of Evidence, 14 August 2019, p. 80.

⁸⁸ The Australian Housing and Urban Research Institute (AHURI), 'About Us – Who we are and what we do', AHURI Website 2019.

⁸⁹ Submission No. 19, Anglicare.

Definitions of homelessness are culturally and historically contingent. They range from limited objective measures which conflate homelessness with rooflessness to more equivocal subjective definitions founded on culturally and historically determined ideas of 'home'. The ABS definition of homelessness is informed by an understanding of homelessness as 'home' lessness, not rooflessness. It emphasises the core elements of 'home' in Anglo American and European interpretations of the meaning of home as identified in research evidence (Mallett, 2004). These elements include: a sense of security, stability, privacy, safety, and the ability to control living space. Homelessness is therefore a lack of one or more of the elements that represent 'home'.⁹⁰

Rates of homelessness and housing stress in Tasmania

3.14 An estimated 120 000 Tasmanians live in poverty.⁹¹

3.15 Mission Australia noted that there is an increasing number of Tasmanians struggling financially:

According to the ACOSS Poverty in Australia 2018 report, 1 in 8 people live below the poverty line (\$433 a week) in Australia. In Tasmania, 7.2% live below the poverty line before housing costs and this proportion goes up to 11.5% after housing costs.⁹²

3.16 Shelter Tasmania stated:

The majority of low income Tasmanians live in private rental properties. About 27% of Tasmanian households, almost 40000 households are renters. About 8000 Tasmanian households were experiencing rental stress in 2016, and the figure would certainly be higher now.⁹³

3.17 The data from the 2016 Census shows that the total number of people experiencing homelessness was 1 622 (an increase from 1 145 in 2006 and 1 537 in 2011).⁹⁴ The regional breakdown shows greater Hobart and the South East had the highest proportion at 57%; Launceston and the North East had 23%; and the West and North West coast areas, a very similar 20%.

⁹⁰ Australian Bureau of Statistics, *Information Paper - A Statistical Definition of Homelessness, 2012* (Catalogue No. 4922.0, 4 September 2012).

⁹¹ Submission No. 36, TasCOSS.

⁹² Australian Council of Social Service (ACOSS) and UNSW Sydney, *Poverty in Australia 2018*, p.65, cited in Submission No.7, Mission Australia.

⁹³ Submission No. 33, Shelter Tasmania.

⁹⁴ Shelter Tasmania, *Shelter Tas Fact Sheet – Homelessness in Tasmanian 2018* <https://www.shelbertas.org.au/wp-content/uploads/2018/03/2018-03-20-ST_FACT-SHEET_Homelessness-2016-Census.pdf>

- 3.18 On Census night in 2016, the majority of people experiencing homelessness in Tasmania were aged under 44 years old. Young people aged 12 to 24 comprised of one quarter of all Tasmanian people experiencing homelessness (25%). The next highest age group were those aged between 25-34 years (17%) and 35-44 (13%).
- 3.19 The majority of Tasmania's 1,622 people experiencing homelessness were living in supported accommodation (35%) or staying temporarily with other households (30%) on Census night in 2016. The remainder were in severely overcrowded dwellings (17%), staying in boarding houses (8%), or rough sleeping; that is, in improvised dwellings, tents or sleeping out (8%).
- 3.20 Hobart is the least affordable capital city in the country,⁹⁵ with many Tasmanians experiencing housing stress or homelessness.
- 3.21 The Committee heard from a number of organisations about the extent of homelessness in Tasmania, with St Helens Neighbourhood Association commenting in its submission that:

1, 579 people are experiencing homelessness in Tasmania.... Primary homelessness represents 8% (those living on the streets) and the remainder are secondary and comprise (of) those that are couch surfing, living in shelters, etc.⁹⁶

- 3.22 While Tasmania does have a high proportion of homeowners, relative to other jurisdictions, there has been an increase in those finding themselves homeless. The Tasmanian Government in its submission note:

Tasmania continues to have the highest rate of home ownership in the country. However, recent data shows that the rate of homelessness is increasing across Australia, although at a slower rate in Tasmania than nationally. The same data shows that Tasmania has the lowest rate of homelessness per capita of all jurisdictions.⁹⁷

- 3.23 This increase in homelessness has resulted in difficulties for service providers to meet the demand for support services. Commenting on the numbers of clients they see, Mission Australia noted in its submission that:

During 2016-17, specialist homelessness services assisted 7,789 clients in Tasmania.⁹⁸ This equated to one in 66 people in Tasmania receiving homelessness assistance, higher than the national rate (1 in 84).

⁹⁵ Submission No. 19, Anglicare.

⁹⁶ Submission No. 11, St Helens Neighbourhood House Association.

⁹⁷ Submission No. 26, Tasmanian Government.

⁹⁸ Australian Institute of Health and Welfare, *Specialist Homelessness Services 2016-17: Tasmania*, as cited in Submission No. 7, Mission Australia.

Of the 7,789 people assisted 49% were homeless on presentation, higher than the national rate (44%). On average, 25 requests for assistance went unmet each day in Tasmania.⁹⁹

- 3.24 The Salvation Army of Tasmania noted that housing stress was a significant issue for a high proportion of Tasmanians:

In Tasmania, it is estimated that there are over 25,000 low-income households who cannot afford to meet their basic needs after they have paid the cost of private rental. The health and wellbeing of Tasmanians is dependent upon access to affordable long-term housing. A growing number of Tasmanians are experiencing 'housing stress' which leads to difficulties in meeting basic living costs, overcrowding, family breakdown, health issues and homelessness.¹⁰⁰

- 3.25 The Salvation Army of Tasmania noted further that:

Under current market conditions, the Rental Affordability Index reveals low-income households typically need to pay between 50 to 85 per cent of their income on rent. It is generally accepted that a household is in housing stress if it pays more than 30 per cent of its income on rent. Australia's lowest income households – those on around \$500 a week – are paying up to 85 per cent of their household income on rents. Middle-income households are also falling into housing stress as high rents chew up incomes that aren't keeping pace with rapidly rising housing costs.¹⁰¹

Experiences of homelessness and housing stress and its impact

- 3.26 The Committee received submissions from a number of organisations that provided case studies of individuals in Tasmania experiencing housing stress, with some evidence regarding homelessness. The Committee did not hear directly from any individual currently experiencing homelessness but there was some evidence from previously homeless individuals. One experience of homelessness supplied to the Committee in submissions was by WHT:

I was living in my car with my little dog. Was pretty hard as I have no real support network. I was then placed in one of the worse streets in a rough neighbourhood. I had no choice but to accept it. I finally got out of there on a transfer due to a murder on my back fence. It certainly made me aware of my own strength that's for sure.¹⁰²

- 3.27 Stephanie Meikle, CEO, Bethlehem House, commented on the people experiencing homelessness who come to Bethlehem House, noting that mental health, alcohol and drugs are a significant factor:

⁹⁹ Submission No. 7, Mission Australia.

¹⁰⁰ Submission No. 18, the Salvation Army Tasmania.

¹⁰¹ Submission No. 16, the Salvation Army Tasmania.

¹⁰² Submission No. 6, Women's Health Tasmania.

...From our experience, co-morbidity is very high in terms of both mental health and alcohol and drugs issues. Even men who stay with us who might not have a recognised underlying mental health issue, the majority of them tend to be on prescription medication for anxiety and depression, and that is quite debilitating. Regardless of whether they come under mental health services, there is that kind of baseline to the men who come to us.

The data that we collect only looks at presenting reasons for arriving in homelessness accommodation and people who state one of the reasons for arriving being their mental health issue is only around 7 per cent but they list a whole load of other reasons. They don't necessarily turn up and say, 'I've got mental health issues, that's why I'm here'. That is what the data looks like.¹⁰³

3.28 Anglicare also offered several examples from its clients as detailed below:

Case study: single person on Youth Allowance

In March 2019, a young woman, whom we named Georgie in the RAS report, was seeking help from Anglicare's Housing Connect service. Georgie is single, in her early 20s and was couch-surfing in Launceston. Reliant on Youth Allowance, Georgie could afford to pay \$70 per week for rent. There were no private rentals anywhere in Tasmania she could afford. This has been the case for people reliant on Youth Allowance for the seven years of our RAS analysis. Georgie had been renting previous to couch-surfing, but it was a property that had no windows, heating or cooking facilities. Even if Georgie put herself into rental stress and spent 49% of her income on housing, this would only give her 67 properties to consider across the state, most of which are in share houses. If she needs to stay near family and friends in northern Tasmania, there were just 24 properties for her to look at. Georgie asked, "How do I look for a home when I have so little money? How do I look for work when I don't have a home? I want to work but it is hard to have clean clothes and keep myself well."

Case study: single parent on Newstart:

Josie and her 9-year old son Ryan had been living in a friend's shed for six months prior to seeking Anglicare's help in March 2019. Josie relies on Newstart and Family Tax Benefit A&B and can afford to pay \$150 per week for rent. The private rental market could only offer properties in Queenstown and Rosebery on the weekend of the RAS survey, with no properties affordable for them near family and friends in Launceston. There has been no improvement in availability of private rentals for single parents on Newstart over the past seven years.

If Josie was able to spend \$260 a week rent (49% of her income, which would put her into rental stress) only 125 properties would be affordable and appropriate across the state, with just 33 in the North. She finally found someone who agreed to rent a property to her at below the average weekly rent.

¹⁰³ Transcript of Evidence, 14 August 2019, p. 66.

Josie told Anglicare, “I am so thankful to the lady who gave me a break because I’d still be homeless without her. My son can now have a stable home life and focus on his education.”

Case study: single person on Age Pension:

In March 2019, there were 122 properties that were affordable and possibly appropriate for Terri, a single woman in her mid-60s who is reliant on the Age Pension. Terri had been living with her mother, but while she was there a family member assaulted her and a Family Violence Order was issued. Over the past few years while looking for private rental, Terri had lived in a backpackers’ hostel in a shared dorm, couch-surfed and stayed in a shelter for homeless people. She was prepared to look anywhere in the state and to live alone or in a share property. In March she finally moved into a Housing Tasmania unit in rural Tasmania, which has given her security and stability.

Terri explained how hard it had been for her. “In the backpackers, I was living week to week juggling my bills. Sometimes my food was stolen. I’d get emergency relief when I couldn’t manage.”¹⁰⁴

3.29 Scott Gadd commented on his observations of homeless people who had taken up residence at the Royal Hobart Showgrounds:

... on a daily basis it was clear many were finding the system hard to navigate. There were often multiple agencies involved from both the government and not for profit sectors. The lack of stable housing also meant no fixed address which exacerbated the problems in engaging with services and receiving benefits. Some simply had no idea where to start to seek help and others had effectively given up because it was too hard or they didn’t have the resources to maintain a consistent effort. Over time these issues often compounded and people simply gave up.

The inadequate level of benefits such as Newstart Allowance as well as waiting periods and penalty regimes were also a common factor.¹⁰⁵

3.30 A number of submissions mentioned the additional difficulties that can come from not having secure housing. Anglicare commented:

We know that when people are without affordable and secure housing, other aspects of their lives are harder and a person’s circumstances can quickly change for the worse. For example, one Anglicare client came for help after her job was cut and she suddenly found herself in extreme rental stress, paying 75% of her income in rent. Although she prioritised paying her rent and cut back on other costs, she was still unable to pay her rent in full every fortnight and faced eviction. With fierce competition for private rental properties, a long waiting list for public and community housing and home ownership out of her reach, she is facing homelessness unless she is able to find a new job soon.

¹⁰⁴ Submission No. 19, Anglicare.

¹⁰⁵ Submission No. 1, Royal Agricultural Society of Tasmania.

In today's tight housing situation, this client would be labelled low priority and yet faces imminent homelessness.¹⁰⁶

- 3.31 The Salvation Army advised the Committee that many individuals have come to them struggling to afford housing or have become homeless:

The increase in people seeking assistance from TSA can in part be attributed to the lack of affordable private rental housing and the scourge of homelessness. While the top 10% of income earners live on more than \$1500 per week, the bottom 10% are forced to survive on less than \$300 per week (RAI 2018). Out of this meagre amount people are required to pay rent and all the other necessities that their basic well-being demands, such as food, clothing, heating, transport and health related costs.

Those struggling to survive below the poverty line in Tasmania typically cannot afford to live near services because the rent is higher in these areas. This means they rely on either an ageing vehicle or limited public transport. When you put all these costs together, it is obvious that many people on a benefit or pension find it very difficult to manage on their meagre income and regularly go without food or heating in order to pay rent. We request that the State Government provides a more compassionate and 'solutions' based response and increases the supply of affordable social housing.¹⁰⁷

- 3.32 In their submission, Anglicare noted the increase in the number of individuals who are in or at risk of, housing stress and the flow on effects of this:

Ten per cent of households in Tasmania are in housing stress (ABS 2016b) and low income Tasmanians are at increasing risk of extreme housing stress, which will restrict their ability to heat their home, access health care and provide opportunities for their children as well as increase their risk of homelessness.¹⁰⁸

- 3.33 TasCOSS pointed out a number of issues apparent for those struggling to gain affordable accommodation:

Particularly in the Hobart area, but also across the State, participants in TasCOSS consultations consistently speak of having to move further away from population centres in order to afford rental properties because urban rents have skyrocketed and vacancy rates have plummeted. This impacts their ability to get to work, to keep their children in school and to stay connected with loved ones and their community.¹⁰⁹

- 3.34 In its submission to the Committee, Anglicare pointed to the difficulties many of their clients were having paying bills as a result of having to spend increasing amounts of money on housing:

¹⁰⁶ Submission No. 19, Anglicare.

¹⁰⁷ Submission No. 18, the Salvation Army Tasmania.

¹⁰⁸ Submission No. 19, Anglicare.

¹⁰⁹ Submission No. 36, TasCOSS.

Difficulty paying electricity bills is a common experience for our clients, especially for those whose rent is high or house condition is poor. Electricity represents about eight per cent of household income for a low income household even with the help of the State Government's energy concession (AER 2018). This compares to a middle-income Tasmanian outlaying five per cent of their income for electricity. Many people go to bed early, go without food or use only one room of the house in winter in order to reduce their energy bills (TasCOSS 2017).

Between 10,000 and 12,000 Tasmanian households (about 5% of total households) are on a short- or medium-term debt repayment arrangement with Aurora. This includes 4,000 households who are in the Your Energy Support (YES) Hardship Program, most of whom are reliant on income support payments, and many of them are tenants. Tenants are constrained by the decisions of their landlords, whether they be private, community or public, and the level of energy efficiency provided by the landlord has consequences for the household's economic and social wellbeing.¹¹⁰

- 3.35 The Committee heard that there was a need to explore ways of identifying those at risk of homelessness and to make preventative steps available for these individuals. Kate Kelly, from the Housing with Dignity Reference Group, commented:

We need our government, when tackling homelessness, to not only consider the physical aspects of being without shelter but to gain a far deeper understanding of the preventative strategies that can be adopted to avert homelessness, and the lasting trauma and health and social mobility implications for those experiencing it. Primary homelessness is an end stage result of poverty, disadvantage and housing shortage and many stages precede it that need to be identified and mitigated early to reduce adverse societal and personal knock-on effects.¹¹¹

- 3.36 The Housing with Dignity Reference Group provided a document with the six key stages in the pathway to becoming homeless which was produced as a result of collecting data from those with lived experience of homelessness. These six stages were:

1. Securely housed;
2. Life shock;
3. Inability to secure housing;
4. Begin couch surfing or shelter stay;
5. Breakdown or cessation of safe shelter provision and;
6. Primary homelessness.¹¹²

- 3.37 The Group concluded that:

¹¹⁰ Submission No. 19, Anglicare.

¹¹¹ Transcript of Evidence, 14 August 2019, p. 22.

¹¹² Housing with Dignity Reference Committee, additional information Tabled 14 August 2019.

The failure to house people is largely due to untenably low rates of Newstart Allowance to cover rent, an overburdened and underfunded housing and welfare service sector, poor data matching and implementation for effective service provision to consumers, and dire social/public/community/affordable private housing shortages. All these areas fall in the remit of State and/or Federal government.¹¹³

Findings

- 3.38 The Committee finds that people are increasingly paying a greater percentage of their income on rent or mortgage repayments which is resulting in an increased number of people not being able to afford food or pay other bills after they have met housing costs.
- 3.39 The Committee finds that the experience of homelessness has a profoundly negative impact on affected individuals and family groups, impacting on employment, health, education, relationships with loved ones, and connecting with community.
- 3.40 The Committee further finds that for some, the experience of homelessness can become cyclic and increasingly difficult to escape.
- 3.41 The Committee finds that people who are experiencing homelessness or housing stress lack stability and often move further away from services. This affects their ability to find work, access training, enable their children to remain engaged in education, and access essential services.
- 3.42 The Committee finds that the lack of affordable private rentals for people on low incomes is placing increased pressure on the demand for public and community housing.
- 3.43 The Committee finds that tackling homelessness is a collective responsibility, and government plays a key role in resourcing and setting policy. There also needs to be stronger communication and leadership at the community level, to harness the goodwill, and creative and inclusive solutions, coming forward from the community.

¹¹³ Housing with Dignity Reference Committee, additional information tabled on 14 August 2019.

Recommendations

13. **The Committee recommends the Commonwealth and State Governments recognise the increased demand for Specialist Homelessness Services and increase funding under the National Housing and Homelessness Agreement.**

Factors contributing to homelessness and housing stress

- 3.44 The Committee heard that a number of factors have led to an increase in homelessness and housing stress in Tasmania. These factors include, low incomes (including income support), underemployment, a lack of affordable housing and rentals, the high number of Tasmanians relying on government payments, and the underfunded and overburdened social housing system.

Low income

- 3.45 Tasmania also has a significant number of individuals who receive some sort of commonwealth income support and accordingly survive on low incomes. The Tasmanian Government submission noted:

Tasmania has the nation's highest proportion of low income households receiving their main source of income from a government pensions and allowances.¹¹⁴ Of these, almost one quarter or 14 618 low income households are in housing stress or crisis.¹¹⁵ Households most likely to be in housing stress or crisis are lone person households, one parent families and couples with children.¹¹⁶

- 3.46 With a restricted income, those relying on income support are having increasing difficulty securing and retaining affordable accommodation. For those on income support payments looking for private rentals, the options are severely limited. The Tenants' Union commented:

Anglicare Tasmania's annual Rental Affordability Snapshot Tasmania 2019 found that there were no affordable rental properties in Tasmania for persons in receipt of Youth Allowance, only eight affordable rental properties for

¹¹⁴ Australian Bureau of Statistics (2013) Household Income and Income Distribution Australia, 2011 – 12 Australia, Cat No. 6523.0, Table 17, Canberra: ABS. (Tasmania has a mean equalised disposable household income 15% below the national average (SA 8%, Vic 4%) p9), cited in Submission No. 26, Tasmanian Government.

¹¹⁵ Housing Tasmania (2014a) *Current and projected demand for dwellings in Tasmania*, p22, final report, unpublished paper, Department of Health and Human Services, Hobart, cited in Submission No. 26, Tasmanian Government.

¹¹⁶ Submission No. 26, Tasmanian Government.

people in receipt of Newstart or the Family Tax Benefit (located exclusively in Queenstown and Rosebery) and only thirty affordable properties for recipients of a Disability Support Pension – all located in the North and North-West.¹¹⁷

- 3.47 The Salvation Army noted the increased difficulty for affordable housing for those without employment:

The current housing affordability crisis in Australia is contributing to the increased homelessness rate. Stable and affordable housing is nearly impossible for ‘unwaged’ people to access. Private rental in Hobart is unaffordable, and breaks in rental history, as well as prejudices against the unemployed, tend to lock this group out of the market. Social housing options are also limited and waiting lists are untenably long.¹¹⁸

- 3.48 In their submission, Anglicare also spoke of the lack of affordable listings available to those on low incomes, noting:

Preliminary analysis also points to an increase in the number of share houses in the private rental market. In 2019, a quarter of all Hobart listings were for share houses, while 70% of listings across the state were affordable for Single Age Pension were share houses. Share houses are not appropriate for many people, especially families.¹¹⁹

- 3.49 The Youth Network of Tasmania (YNOT) noted that young people both those on the Youth Allowance and those of low wages were unable to afford the private rental market:

For young people on minimum and apprenticeship wages and those receiving Newstart or Youth Allowances, the Tasmanian private rental market is almost unobtainable.¹²⁰

- 3.50 Describing the challenge, YNOT said:

Young people are spending at or above 50% of their income on rent to secure accommodation in suburbs with accessible public transport and to remain in close proximity to their education, employment and support networks. Shared housing is the only option for many young Tasmanians on low incomes within the private rental market.¹²¹

¹¹⁷ Submission No. 8, Tenants Union of Tasmania.

¹¹⁸ Submission No. 18, the Salvation Army.

¹¹⁹ Submission No. 19, Anglicare.

¹²⁰ Submission No. 29, Youth Network of Tasmania.

¹²¹ Submission No. 29, Youth Network of Tasmania.

3.51 YNOT also considered that relevant organisations and government departments are not effectively engaging with young people to address housing and homelessness.

That is a complex space. First and foremost, what is actually missing is engaging with young people about their lived experience and their need. Sometimes we make assumptions about what we think they do need, so I would like to see greater consultation with young people experiencing homelessness, or at risk of homelessness, to really understand what it is that they need, and what support can we offer them.

Importantly, what we need to do is work with those young people to co-design options that are suitable to them to meet their needs. We know that, taking up your point about stigma and perception, within the community there is a perception that young people choose to leave home and live independently, and good luck to them. However, what we do know is that the majority of young people leaving home have experienced trauma or family violence, so it's not possible for them to be reunified with their family, in that context.

What we need to do is look at what options are available for them, but we need to ask them, and I think that really is lacking in terms of the youth voice, about their experience of housing and homelessness, and what exactly do they need? We need to engage with young people more effectively, but we also need to really look at what is out there, and what are the gaps, rather than plugging different holes. We need to have a bit more of a strategic, coordinated approach to youth homelessness in this state.

You have two ends of the spectrum. You have youth housing affordability and availability, where you have young people who are well engaged, well connected, engaged in education and training, but are really struggling to live independently and have their basic needs met - and then you have young people who, for a range of reasons, are living out of home, maybe experiencing homelessness, and are highly vulnerable and don't have the service and support options available to them.

What we would like to see, for young people experiencing complex issues and experiencing homelessness, is intensive supported therapeutic residential facilities to support recovery.

We need to work with young people where they are at. We need to meet their needs, and then we can start to think about engaging in education and training for some of those individuals. Some young people are ready for that, some young people just are not, so what we want are options available to young people who don't have any prescribed criteria or eligibility around that. They have a right to have a home; they have a right to have a roof over their heads, and we need to be mindful of that when we are looking at solutions. But, absolutely, fundamentally, we need to connect with those young people, and I don't think we are doing that well enough.¹²²

¹²² Submission No. 29, Youth Network of Tasmania.

- 3.52 Ria Brink, Youth Work Coordinator from Karinya Young Women's Service, noted that the Youth Allowance had not increased in real terms in 20 years:

*Youth allowance has not increased in real terms for the last 20 years and has not kept up with the increase in cost of living. It is considered that youth allowance rates are some 30% below the poverty line. There are no affordable private rentals anywhere in the state for young people receiving youth allowance according to Social Action Research Centre, Rental Affordability Snapshot 2018.*¹²³

- 3.53 Karinya Young Women's Service considered that some of the punitive measures imposed by welfare agencies on recipients have an impact on housing stability for some individuals:

*Punitive measures by Centrelink such as cutting income for missed phone appointments also has significant impact on housing stability. Young people on low income often lack a reliable phone or have no access to internet and are often unaware of not having met obligations until their payment has been cut off. This results in not being able to pay rent and puts their accommodation at risk.*¹²⁴

- 3.54 The Committee heard that underemployment is also contributing to homelessness and housing stress. Kym Goodes, CEO of TasCOSS, commented:

*The other big challenge for Tasmania right now is the growing level of under-employment. I will confirm it but my memory is we have about 29 000 Tasmanians who report they would like to work more hours than they are able to work currently - and so highly casualised work, seasonal work, people telling us that they work two or three jobs, and they juggle between, to try to end up with a minimum-wage scenario. We know that puts pressure on their income-support reporting to Centrelink - there are a whole lot of things wrapped up in that - but we are seeing a definite shift in who is really putting their hand up and saying, 'Hey, I actually can't cope with this right now and I need some help.'*¹²⁵

- 3.55 Refugees also faced issues of housing stress and an inability to pay household bills. The Migrant Resource Centre (MRC) commented:

A MRC Tas survey found that issues with housing were the most frequently raised concern among our clients and community leaders. Humanitarian entrants are twice as likely as other Australians to report housing stress (difficulties covering housing payments); BNLA found this was an issue for over 12% of Humanitarian migrant households nationally, with over a quarter of

¹²³ Submission No. 23, Karinya Young Women's Service.

¹²⁴ Submission No. 23, Karinya Young Women's Service.

¹²⁵ Transcript of Evidence, 13 August 2019, p. 92.

households also having difficulties paying housing-related bills (such as heating and electricity) (DSS, 2019).¹²⁶

- 3.56 The lack of available affordable housing has also affected older Tasmanians, particularly those on the Age Pension. The Council for Ageing Tasmania (COTA) commented:

For people on the Age Pension, southern Tasmania in particular has little to offer. Just three properties were affordable and appropriate for a couple on Age Pension, all of which were in rural towns. There were 28 properties for a single person on Age Pension, all of which were in share houses. Nine of the share houses were in rural towns where access to public transport is limited.

Older Tasmanians are increasingly finding themselves in the private rental market where security of tenure is a major concern, and increasingly the ability to pay the rent is front and centre as competition for rental properties increases statewide.¹²⁷

- 3.57 In addition to older people who rely on private rentals facing housing stress, COTA, noted there is also a trend towards people retiring, or approaching retirement, with mortgages, which constitutes housing stress:

The number of Australians entering into retirement carrying mortgage debt is increasing. The ABS survey of income and housing shows an increase in the proportion of homeowners owing money on mortgages has increased for all age groups between 1990 and 2015. Homeowners approaching retirement showed the most significant increase. For home owners aged 55 to 64 years, the proportion owing money on a mortgage tripled from 15% to 47% over the period.

Tasmania is not immune to this trend. Between 2011 and 2016, the number of people 65+ with a mortgage increased from 5,365 to 8,200. We suspect these numbers are even higher today given the rapid increase in Tasmanian house prices over the last 3 years.

When coupled with the increasing numbers entering retirement relying on rental housing, it is clear that the number of older Tasmanians entering retirement without the financial security that owning your own home brings is growing substantially.¹²⁸

- 3.58 Shelter Tasmania told the Committee there is a lack of support and incentives for landlords to ensure that their properties are suitable for Tasmania's ageing population:

We recommend the State Government commits to sustained investment over the longer term to ensure Tasmania can meet current and projected demand

¹²⁶ Submission No. 13, Migrant Resource Centre of Tasmania.

¹²⁷ Submission No. 25, Council of the Aging.

¹²⁸ Submission No. 25, Council of the Aging.

for accessible, appropriate and affordable housing, and introduce incentives for landlords to modify properties to support ageing in place.¹²⁹

- 3.59 The Committee also heard there was general support for ‘Wintringham style accommodation’ in Tasmania which is aged care accommodation designed to support low-income older residents. Shelter Tas commented:

Shelter Tas welcomes the announcement of Wintringham-style accommodation in the south, which is a successful response to growing need and can draw on aged care funds. Shelter Tas encourages the State Government to develop a similar model to accommodate both men and women in the North and North-West regions.¹³⁰

Tight rental market

- 3.60 The tight rental market is key factor contributing to homelessness and housing stress. Professor Richard Eccleston, Director of the Institute for the Study of Social Change, said that the general community was experiencing rental stress and cited the private rental vacancy rate to demonstrate this stress:

Any working household on average earnings in the private rental market in greater Hobart is experiencing rental stress and that is fairly significant. A cause of that, and further evidence to explain why that is the case, is that the private rental vacancy rate, as we measure it, remains at unprecedented lows in terms of consistent methods that have been applied across national housing markets over the last 15 years or so. It is cyclical. It varies across the year but the lows that are experienced in the lead-in to summer are down around 0.5 per cent to 0.6 per cent. Anything under a 1 per cent vacancy rate demonstrates that the rental market is incredibly tight. That leads to and results in really significant private rental price increases, which we have seen in greater Hobart in particular; up over 30 per cent over the last three years.¹³¹

- 3.61 The Property Council also commented on the rental vacancy rate:

During October 2018, the Tasmanian Division of the Property Council of Australia released its extremely well-received research blueprint, ‘REMOVING THE REGULATORY HANDBRAKE – Seven steps to fix Tasmania’s housing supply’. Collated data, at that time, provided a snapshot of housing in Hobart:

- In June 2018, the residential vacancy rate in Hobart at 0.7% was the lowest in the nation (national vacancy rate 2.3%);*
- Median asking rent growth in Hobart from March 2017 – March 2018 at 15.1% was the highest capital city in the nation (Canberra second at 6%);*
- Growth rates of Hobart’s housing prices in 2017 at 17.3% were the highest in the nation (Melbourne second highest at 11.3% while Sydney’s growth rate was 4%; and*

¹²⁹ Submission No. 33, Shelter Tasmania.

¹³⁰ Submission No. 33, Shelter Tasmania.

¹³¹ Transcript of Evidence, 15 August 2019, pp. 89-90.

- In May 2018 the average percentage of wage spent on rent in Hobart at 29% equated to the least affordable city in the nation (Sydney second at 27%).¹³²

- 3.62 Anglicare performs a yearly analysis of the availability and affordability of private rentals, and in its submission outlined the results from the 2019 snapshot, pointing to a lack of properties available for rent:

Our Rental Affordability Snapshot (RAS) has found that over the past seven years the number of private rentals listed dropped 60%, from almost 3,000 properties in 2013 to 1,000 properties in 2019. The decrease in rental property listings has been most pronounced in the south, where properties listed have dropped from 1,304 in 2013 to just 434 in 2019, with drops from 809 listings in the north to 354 in 2019 and 563 listings in the northwest down to 262 in 2019.¹³³

- 3.63 Shelter Tasmania also commented on the tight rental market, noting:

The trend of increasing rental hardship shows no sign of reversing in Tasmania. The National Rental Affordability Index has shown for over three years that Hobart continues to be the least affordable capital city in Australia. Households earning a moderate income are paying close to 30% of their income on rent.

Tasmanian incomes remain the lowest in the country, while rents continue to rise. Tasmanian household incomes are on average \$300 lower per week than the national average and are falling further behind our surging rental prices. The combination of rising rents and low incomes creates financial hardship for increasing numbers of people.¹³⁴

- 3.64 The joint submission of CatholicCare Tasmania and CentaCare Evolve Tasmania, also commented on the reduction of available rental properties, noting:

Private rental supply has seen a steep decline over the last six years with a current 0.6% vacancy rate (SQM Research 2018: March quarter). This has seen an already competitive market tighten and significant increases in real term rental pricing pushing out those on Centrelink and those who are low income earning within the Tasmanian workforce.¹³⁵

- 3.65 The Salvation Army advised the Committee that it has seen many individuals experiencing housing stress, and that there has been an increase due to rising rents:

In Tasmania, it is estimated that there are over 25,000 low-income households who cannot afford to meet their basic needs after they have paid the cost of private rental. The health and well-being of Tasmanians is dependent upon

¹³² Submission No. 21, the Property Council.

¹³³ Submission No. 19, Anglicare.

¹³⁴ Submission No. 33, Shelter Tasmania.

¹³⁵ Submission No. 14, CatholicCare Tasmania and CentaCare Evolve Tasmania.

access to affordable long-term housing. A growing number of Tasmanians are experiencing 'housing stress' which leads to difficulties in meeting basic living costs, overcrowding, family breakdown, health issues and homelessness.

The University of Tasmania Housing and Community Research Unit (HACRU) suggests that there is 'a basic deficit in the number of dwellings in Tasmania.' We need more affordable community and public housing to meet the needs of disadvantaged people now and in the future.

Hobart is the least affordable city in Australia, due to relatively lower incomes and high rental yields. The release of Australia's Rental Affordability Index (RAI, 2018) revealed that the lowest-income house-holds in Australia are paying over 75 per cent of their income on rent, while rental unaffordability is extending to professionals.¹³⁶

3.66 Pattie Chugg, CEO, Shelter Tasmania, commented on the lack of a market response for the lower end of the private rental market:

New social disrupters have come into play. We have seen the rise of demand for tourist accommodation and Airbnb now with over 4000 properties across Tasmania. The biggest change we have seen is the increase in the private rental market in relation to people's incomes and the lack of a market response to deliver new housing to that lower end of the market.¹³⁷

3.67 Ms Chugg further commented:

At the current rate, people on low incomes cannot afford the rent increases that have taken place over the last few years. The myth of cheap rent in Tasmanian housing has well and truly gone. The average weekly rent growth in Tasmania has resulted in previous low-cost properties also being occupied by much higher-income groups. Low-cost housing has become scarcer in the private rental market, where one in five Tasmanians live. Demand for lower-cost rentals has increased because people who are in work and saving up to purchase a home are also competing at that lower end of the market. This is not just a challenge in Hobart but across Tasmania. In fact, the national Rental Affordability Index shows that Tasmania's rest of state population and the Greater Hobart area has become the least affordable rest of state as well when you take into account people's incomes.

.....
We do not have a housing supply crisis across all levels of the market. We have a crisis at the affordable end of the market. Nationally, almost 80 per cent of new stock that is priced and built is at the upper end of the housing market. Housing is a segmented and differentiated market, so you have to look at different areas of it. The lack of supply is most intensive at the affordable end of that market. It is where the crisis exists and this lack of affordable housing is what pushes people into homelessness and keeps them there.¹³⁸

¹³⁶ Submission No. 18, the Salvation Army.

¹³⁷ Transcript of Evidence, 13 August 2019, p. 15.

¹³⁸ Transcript of Evidence, 13 August 2019, p. 16.

3.68 YNOT commented on how the rising rents have severely restricted housing options for young people:

For young people on minimum and apprenticeship wages and those receiving Newstart or Youth Allowances, the Tasmanian private rental market is almost unobtainable. Young people are spending at or above 50% of their income on rent to secure accommodation in suburbs with accessible public transport and to remain in close proximity to their education, employment and support networks. Shared housing is the only option for many young Tasmanians on low incomes within the private rental market. Once a cost saving measure for students, shared housing is becoming increasingly more expensive and can cost up to or above 50% of a young person's Youth Allowance. These high rental costs are having significant flow-on effects to young people including: living in overcrowded accommodation; financial stresses resulting in an inability to pay for essential services such as health care, food or utilities; and poor physical and mental health outcomes. High rental costs also inhibit many young people from saving to purchase their first home.¹³⁹

3.69 YNOT commented further that:

YNOT acknowledges that a significant investment is required from the Tasmanian Government to respond to the needs of this cohort. However, without additional investment in alternative long term supported accommodation options highly vulnerable young people experiencing homelessness will struggle to break the cycle of homelessness and experience ongoing disadvantage and social exclusion. The individual, social and economic costs of youth homelessness to our communities far outweighs the expense of early intervention and prevention initiatives designed to combat youth homelessness.¹⁴⁰

3.70 Housing stress can be a particular issue for migrants, with the MRC noting:

Even where affordable and appropriate properties are available, humanitarian entrants in Tasmania face a range of additional challenges in securing housing, including the impact of trauma and stress; unfamiliarity with rental market and tenant rights and responsibilities; lack of rental history and documentation; and language barriers. They may also face discrimination from property managers, landlords, real estate agents and neighbours (Olliff, 2014; SCoA 2017).¹⁴¹

3.71 The MRC further noted the difficulties of its clients in finding housing in such a tight private rental market:

Finding appropriate and affordable housing in the private rental market is difficult. CALD community members are generally not eligible for the Private Rental Incentives program, as they are assessed as being high needs, not high

¹³⁹ Submission No. 29, the Youth Network of Tasmania.

¹⁴⁰ Submission No. 29, the Youth Network of Tasmania.

¹⁴¹ Submission No. 13, Migrant Resource Centre.

capacity. The high levels of mental health issues of humanitarian arrivals, and lack of rental histories render the majority of our clients ineligible. Reflecting the National trend, very few Humanitarian entrants can ensure housing through home ownership in the medium term.

These stresses and waiting times have had serious impacts. Within the last six months at least three recently arrived clients have had to be housed in crisis accommodation, including a mother with a young daughter who were in crisis accommodation for 18 weeks. It is highly inappropriate that newer CALD community members, some of whom may have previously experienced torture, suffered high levels of trauma and loss, or are managing complex mental health needs be housed in shelters that do not have culturally appropriate resource capabilities. For single young people there have also been multiple instances of forced moves between temporary accommodations every few weeks in an effort to sustain cost effective housing models.

It could be said in reflecting on the current housing environment that many community members of humanitarian backgrounds will at some point experience secondary homelessness, housing crisis, and housing stress.¹⁴²

Insufficient public and community housing

3.72 Another factor contributing to homelessness and housing stress was the undersupply of fit for purpose public and community housing and difficulties in navigating the system.

3.73 According to the Housing Industry Association:

House prices increases in Tasmania have occurred as a result of multiple factors including constrained land supply, increasing taxes and charges, cumbersome zoning and development approval processes. These matters should all take priority for the Government to address as a means to unlocking overall housing supply and to avoid letting those on the fringes of the private rental and purchase market fall into a situation that requires direct housing assistance.

*.....
The results of that research were that Australia needs 727 300 additional social housing dwellings over the 20 years from 2016 to meet both current and emerging need.*

Tasmania needs 14 200 of those dwellings. Of these, 11 100 are required to meet current need. They are defined as households who are homeless and households in the lowest income quintile and living in rental housing stress now. To deliver the required supply over the next 20 years, the proportion of all new construction that is social housing needs to increase substantially.¹⁴³

¹⁴² Submission No. 13, Migrant Resource Centre.

¹⁴³ Transcript of Evidence, 15 August 2019, p. 90.

- 3.74 The need for increased social housing was a recurring theme throughout the inquiry. The Committee heard that there was a considerable wait for public and community housing, and that the waitlist was increasing. Anglicare commented:

Despite consecutive governments making housing a priority, more than 3,000 Tasmanians are stuck on a lengthy waiting list for public and community housing (Tasmanian Government, 2019), 1,600 Tasmanians are homeless (ABS 2016a) and 10% of households are in housing stress (ABS 2016b).¹⁴⁴

- 3.75 Shelter Tasmania similarly commented on the increased numbers on the housing waiting list, noting:

As Shelter Tas noted in our 2018-19 Budget Submission: Since 2014, the number of applicants on Tasmania's Social Housing Register has grown by 36%, or an average of 12% each year. Applicants wait 49 weeks on average for an allocation, with most allocations made to 'priority' applicants who have high needs (who are homeless, whose safety is at risk, or who have a physical or mental health condition). 'General' applicants can wait up to two years or more for an allocation.¹⁴⁵

- 3.76 In its submission YNOT also commented on the current numbers on the social housing list, in particular noting the difficulties faced by young people on the list:

The Department of Human Services (DHHS) reported 1003 active social housing applications in March 2019 from persons 25 years and under, comprising 30% of the total housing register at that time. However, March 2019 data suggests that young people are less likely to secure social housing with 2.3% of total applications being successful, but only 1.5% of applications by young people.¹⁴⁶

- 3.77 TasCOSS also commented of the social housing shortage, noting that:

For many people who are eligible, social housing is no longer an option. With severe shortages of social housing, priority is given to those most in need and long waiting lists are the result. There are currently 3,318 applications on the housing register, with an average wait time of 50 weeks to house priority applicants.¹⁴⁷

- 3.78 The Committee heard that one of the factors contributing to the increasing number of people on the waitlist for public housing and the increasing wait times was that the current Housing Connect model was inadequately resourced to deal with the increased demand. In its submission, Anglicare noted a change in its ability to assist their clients through Housing Connect:

¹⁴⁴ Submission No. 19, Anglicare.

¹⁴⁵ Submission No. 33, Shelter Tasmania.

¹⁴⁶ Submission No. 29, the Youth Network of Tasmania.

¹⁴⁷ Submission No. 36, TasCOSS.

The dramatic decrease in private rental listings is also reflected in Anglicare's experience in delivering housing services through Housing Connect. Anglicare coordinates Housing Connect Front Door in the North West and North of the state and provides support workers for Housing Connect in the South. Over the past three years, we have found the number of applications for Private Rental Assistance (PRA) in the North and North West has decreased, from 1,790 applications in the year ending 30 June 2017 to just 1,295 applications in the most recent financial year. Of these applications, just half have proceeded to payout, meaning the applicant was successfully housed in a private rental property. There was a similar result for people seeking help in the South. These decreases reflect the reduced opportunities for people to find an affordable private rental, even if actively supported through Housing Connect. Over the same time period, the number of homelessness assessments conducted in the North and North West has increased from 1,841 households (year ending 30 June 2017) to 2,092 (year ending 30 June 2019), an increase of 14%.¹⁴⁸

3.79 CentaCare Evolve and CatholicCare also pointed to issues with the current Housing Connect model, noting:

The current homelessness service system, Housing Connect, was designed in a vastly different social and structural environment, making Housing Connect ill-equipped to meet the high volume and increasing complexity of need both within Front Door and Support.

High caseloads within Housing Connect support reduce the programs capacity to provide intensive support to those who have high and complex needs, reducing the likelihood of them maintaining any housing outcome achieved which then increases likelihood of repeat service users. Although the numbers for this are not high they are the client cohort that are the most resource intensive. Young people who do not have the life skill capacity nor social and family network to support their independence are failing in tenancies and as a result developing housing histories that will negatively impact on any future housing options.¹⁴⁹

3.80 The inability for young people to join the waitlist until they are 16 was raised by the Karinya Young Women's Service:

Due to the limited supply of youth specific housing and lack of affordable housing overall, Karinya has seen a significant change in length of stay in crisis accommodation over the years. This issue is compounded for clients under 16 where there are no exit points at all. Karinya regularly accommodates 15 year olds for extended periods of time. Despite these young people being referred to Child Protection, or sometimes have a long history with Child safety, they are not taken into the Out of Home Care system. Under 16's are not able to join waiting lists for transitional or public housing, which means that after months in the shelter they can finally go on waiting lists after their 16th birthday, from

¹⁴⁸ Submission No. 19, Anglicare.

¹⁴⁹ Submission No. 14, CentaCare Evolve & CatholicCare Tasmania.

which point they still face a significant waiting time before they can move on to more stable accommodation.¹⁵⁰

- 3.81 The lack of social housing available has resulted in women remaining in, or returning to abusive and violent relationships. WHT commented:

WHT is seeing women being forced to stay in or return to abusive situations because they have no housing options. Women exiting from prison are particularly vulnerable to returning to unsafe housing options.¹⁵¹

- 3.82 Wendy Fowler also noted an increase of those in her community experiencing homelessness or housing stress, with a long housing waiting list and limited options for those fleeing violence:

The current situation in both regional and major centres is an increasing number of people in insecure, very expensive and or unsuitable housing. Here in the Break O'Day I know of three families within my limited social circle renting properties currently on the market, another family without a lease and yet another about to move into a tent and caravan as the house they are currently renting has been sold to an owner occupier. St Marys in July/August is no place to live in a tent. The waiting times for public housing in this area would appear to be years rather than months and there is limited accommodation for families with several children. The private rental market here seems to be virtually non-existent and rents for those on low wages or social security benefits must consume a considerable percentage of household income. There is NO crisis accommodation available locally for those fleeing domestic violence.¹⁵²

- 3.83 Gypsy Love pointed to problems with people dropping off the public waiting list. In her submission Ms Love noted:

The Department of Human Services was and still it is assumed are sending out a letter twice a year to those on the waiting list to their former address from when they put in their applications. When they do not reply to this automatically generated letter that they never receive they were cut from the list and identified as no longer requiring housing. Is this policy still being used this year? Many of these people are the very same contacting housing connect frequently asking how long it will be till they are accommodated? Why could their worker not tell them they are being cut off the list before this happens? April 2018-March 2019 saw 1035 applicants cut from the waiting list due to being housed according to the dashboard. We find this figure incredulous since our Facebook groups frequently ask for anyone who gets housed to let us know. We only know of a handful of people who have secured housing. There are the odd few who have found private rentals but still wish to be on the waiting list for the rentals they have found do not meet the definitions in the

¹⁵⁰ Submission No. 23, Karinya Young Women's Service.

¹⁵¹ Submission No. 6, Women's Health Tasmania.

¹⁵² Submission No. 22, Wendy Fowler.

Homes Act of being safe, secure and affordable. So why are they being culled from the waiting list if they find a temporary roof to be under.¹⁵³

- 3.84 Scott Gadd of the Royal Hobart Agricultural Society considered the way public housing is currently operated is difficult to access for many people:

For many the current system is an unnavigable maze of referrals, paperwork and interviews that is simply beyond their capacity to negotiate.¹⁵⁴

- 3.85 The REIT considered that a large percentage of people in private rentals were on the public housing waitlist, which in turn was increasing competition for homes at the lower end of the private rental market and exacerbating the housing stress issue:

We suspect that as much as 50% of the people waiting for Public Housing are currently using the private sector to meet their housing needs. If it were possible to build a significant number of Public housing dwellings this would significantly reduce pressure on this sector of the market freeing up rental stock in the private rental sector. This could see rental increases minimised possibly even downward movement in rents as vacancy rates increase. The alternative is that government support private developers in order to significantly increase the construction of private dwellings in the market which could be used for both private and subsidised public housing.¹⁵⁵

The lack of exit points

- 3.86 The Committee received evidence from a range of witnesses regarding the lack of exit points into secure housing and transition support for clients experiencing homelessness, needing to move from crisis accommodation to secure housing.
- 3.87 The lack of exit points was identified as a factor contributing to homelessness and housing stress. Dr. Julia Verdouw, Research Fellow from the School of Social Sciences at the UTAS, commented:

I agree that having exit points is really important. One thing that has really stood out to me in the research we've done recently on social housing providers, and talking to tenants and social housing providers – including specialist homelessness services - is that people are falling through the gaps because there are gaps between the different transitions points. In a crisis, you need crisis accommodation, you need those shelters. But moving from one to the next, we want a transition from one to the next. However for some groups – in particular, young people and people with complex health needs and mental health illnesses – one thing that really needs to cover those transitions is

¹⁵³ Submission No. 27, Gypsy Love.

¹⁵⁴ Submission No. 1, Royal Agricultural Society of Tasmania.

¹⁵⁵ Submission No. 4, Real Estate Institute of Tasmania.

support. You can't just talk about housing for people who are at risk or homelessness without talking about support.¹⁵⁶

3.88 Dr. Kathleen Flanagan, Deputy Director of the Institute for the Study of Social Change, made similar comments:

... even for people who get into shelters, that on its own is not enough. They need exit points into long-term, secure and sustainable housing. If your response to homelessness is merely to build more shelter beds, all you are doing is housing people for the now but not necessarily allowing them to rebuild their lives into the future. There actually needs to be parallel investment in what the sector refers to as 'exit' points - places that people can go out of the shelter.¹⁵⁷

3.89 Anglicare also made similar comments:

Tasmania's current Affordable Housing Strategy 2015-2025 provides an excellent strategic plan but relies too much on market forces that we know have failed disadvantaged Tasmanians. Existing housing and homelessness services have an excellent track record of providing safe and value-for-money help into crisis, short, medium and long-term accommodation. However, the effectiveness of these services is restricted by a lack of 'exit points' at each level of the system.¹⁵⁸

3.90 In evidence before the Committee, Noel Mundy, General Manager, Housing and Community Services, Anglicare, reinforced his concerns about a lack of exit points:

We believe the effectiveness of housing and homeless services as provided by community organisations like ours, and a number of others across the state, and it is restricted by the lack of exit points from a lot of our services, so moving people on to their own sustainable accommodation.

We believe that the housing system is full and blocked at the moment for most people who want to enter it. There is nowhere for exiting crisis to go, nowhere for people exiting supported accommodation to go. They are very key issues for us.¹⁵⁹

3.91 Karinya Young Women's service commented on the lack of exit points for young people:

The main exit points for young people in Launceston are transitional housing through the Northern Youth Accommodation Coalition (NYAC) and Thyne House or public housing. They are rarely accepted by Community Housing providers due to their low income. Waiting lists are long for these options and

¹⁵⁶ Transcript of Evidence, 4 September 2019, pp. 11-12.

¹⁵⁷ Transcript of Evidence, 20 August 2019, p. 2.

¹⁵⁸ Submission No. 19, Anglicare.

¹⁵⁹ Transcript of Evidence, 13 August 2019, p. 67.

time limited transitional housing means they potentially remain at risk of homelessness unless they are offered public housing.¹⁶⁰

- 3.92 In evidence before the Committee, Ria Brink from Karinya Young Women's Services, commented that the lack of appropriate accommodation options for young people meant that the length of stays in emergency accommodation had blown out:

Due to the lack of appropriate accommodation options for young people, they are facing much longer stays in crisis accommodation services. Whereas a few years ago the benchmark was 6 weeks for emergency accommodation, average stays are now 4 months or longer. Partly this is also due to the length of time it takes to secure Centrelink benefits. Lengthy periods of insecure housing has implications for mental/physical health and wellbeing. It also impacts on their ability to remain engaged in education or reconnecting with family and community. Many young people resort to couch surfing, often living in unacceptable conditions, engaging in negative activities which impacts on their overall wellbeing.¹⁶¹

- 3.93 Stephanie Meikle, CEO of Bethlehem House, also commented on the lack of exit points and the lack of support services for people leaving emergency accommodation:

From the lived experience and from our case managers who are there to look after people, mental health is a huge problem and there are no co-located mental health services in the crisis accommodation. So you have a collection together of 34 men who are all homeless, the majority of whom are in the middle years of their life. The provision for that accommodation comes out of the Housing budget and is very siloed. There is nothing in the stream that comes from health, mental health, alcohol or drugs. What you have is Bethlehem House. For the years it has been operating there, it has been treated as a dumping ground for the most complex problems that men have. They are seen as being in crisis accommodation and therefore dealt with.

It comes down to support workers, each day and every day, to be dealing with their issues and trying to get them into the limited number of spaces that there are in other services for treatment of alcohol, drugs and mental health issues.

.....
One of the contributing factors to that is what while they are with us, they arrive in crisis and we provide wrap-around care, meals and they have 24-hour support.

When they exit, there has been this gap where they have moved out, they are usually in Housing Tasmania accommodation if they have a planned exit, and they no longer have a support service. It can be that - and we have examples of as little as one day of sitting, looking at those four walls, wondering what I am going to do - we make a call to see how they are going and they have a cask of

¹⁶⁰ Submission No. 23, Karinya Young Women's Service.

¹⁶¹ Submission No. 23, Karinya Young Women's Service.

wine beside them. What we are saying is that lack of co-located services in shelters leads to an exit where there is no support worker and the safety net has been taken away. It is very hard for people to address the issue while they are with us, to make an adjustment and be adjusted to going out and living a normal life when they leave.¹⁶²

People leaving correctional facilities

- 3.94 The Committee heard that providing secure housing and sustained support for individuals exiting correctional facilities reduces reoffending and recidivism.
- 3.95 Dr. Jed Donoghue, Housing and Homelessness State Manager, The Salvation Army, commented:

People who are coming out of the justice system and prison services are getting pre- and post-release support from Beyond the Wire - that's what we've called our REO2 program - and that has been funded by the Justice department. We are reducing recidivism or reoffending rates. Last month we worked with 33 people pre- and post-release and we have two workers based in Hobart and one in Burnie. For the majority of people coming out of prison on parole or on remand that is much more difficult because we need a stable address. I don't know if there has been much interaction with Ashley. I would have to clarify that with the program manager.

Ms O'CONNOR - Are you confident that Beyond the Wire, as it is now, with as I understand it somewhat less funding than REO had, is capturing the majority of people who exit the correctional system or the majority of people who exit the system who need a home?

Dr DONOGHUE - We are not capturing all the people. I'm not sure what the percentage would be, but the people who identify to their correctional worker that they want to get support because of their concern about being homeless when they leave prison are definitely being addressed in that they are being referred to us. It depends on the level of communication between the people in the prison and the correctional workers whether they want to disclose that they will be homeless when they leave. Sometimes people in prison expect that they will be able to renew their housing or maintain their relationship, but then find they are homeless when they are released. Sometimes we don't get any warning when people turn up. We try to be flexible and responsive to people but with three staff we are limited in what we can do. The organisation makes the contribution to that program as well.¹⁶³

¹⁶² Transcript of Evidence, 14 August 2019, p. 66.

¹⁶³ Transcript of Evidence, 13 August 2019, p. 52.

Entrenched disadvantage

- 3.96 Another key factor contributing to the homelessness and housing stress issue is entrenched disadvantage. Mission Australia called for 'persistent and entrenched disadvantage'¹⁶⁴ to be addressed. They noted:

*In Tasmania just six local government areas accounted for approximately 80% of the highest rank positions across the 21 indicators. These locations show high rates of criminal convictions; long term unemployment; juvenile offending; young adults not participating in full time work, education or training, disability; and low family income.*¹⁶⁵

- 3.97 Mission Australia continued:

*Local disadvantage is a complex problem requiring systems change and a coordinated place-based collective impact approach. Interventions are required at the community level in addition to macro reforms and individual service responses. A place-based model that co-ordinates services and targets intergenerational disadvantage requires long term funding. A minimum of ten years commitment plus upfront funding is required to plan and engage in programs and make adjustments as necessary.*¹⁶⁶

Findings

- 3.98 The Committee notes that Hobart is the least affordable capital city in Australia with rising rents and low vacancy rates, and that Tasmania as a whole is becoming unaffordable for many people. Accordingly, the Committee finds, on the evidence received, that the increase in rents across the private rental market is placing a significant percentage of people in housing stress and facing homelessness.
- 3.99 The Committee finds the supply of social housing needs to substantially increase to accommodate the increased need for affordable housing.
- 3.100 The Committee finds certain groups, such as young people, and former humanitarian entrants, fall through the gaps, and are unable to obtain social or community housing, as they are not specifically prioritised as cohorts for the purposes of the housing register.
- 3.101 The Committee notes that women and children are staying in abusive and violent relationships due to the lack of social housing.

¹⁶⁴ Submission No. 7, Mission Australia.

¹⁶⁵ Jesuit Social Services and Catholic Social Services Australia (2015) *Dropping off the Edge 2015*, <<https://dote.org.au/>> cited in Submission No. 7, Mission Australia.

¹⁶⁶ Submission No. 7, Mission Australia.

- 3.102 The Committee finds there is not enough crisis accommodation in regional areas for individuals endeavouring to leave abusive and violent relationships.
- 3.103 The Committee finds that providing secure housing and sustained support for individuals exiting correctional facilities reduces reoffending and recidivism.
- 3.104 The Committee finds the Housing Connect model is currently stretched beyond capacity to deal with the high volume of people experiencing homelessness and housing stress as well as increasing rents in the private rental market. The Committee notes that the Housing Connect model is to be reviewed¹⁶⁷ and encourages the Tasmanian Government to expedite this work in order to address deficiencies in the model.
- 3.105 The Committee notes that people are falling off the waitlist for social and community housing due to having no current or fixed address. This exacerbates the cycle of homelessness.
- 3.106 The Committee finds that young people are spending longer in crisis accommodation services, and have less success in securing a social housing property.
- 3.107 The Committee is concerned that young people under 16 years who have been living in crisis accommodation are ineligible to be on the social housing waitlist.
- 3.108 The Committee finds that young people under 16 who have lived in supported accommodation, often for significant periods of time, are not prioritised for housing support once they reach the age of 18.
- 3.109 The Committee finds there is a lack for exit points into secure, affordable housing for people leaving temporary accommodation. Therefore, there is a need for more support services for people leaving crisis accommodation, to assist them in finding long-term accommodation.
- 3.110 The Committee finds there is a lack of delivery of mental health services in crisis accommodation.
- 3.111 The Committee finds that due to the significant increase in demand and workload for caseworkers, there is a pressing need to reduce the caseload of support workers, in order to provide quality individualised support for people experiencing homelessness, or housing stress.

¹⁶⁷ Tasmanian Government Department of Communities (2019), Action 17.1 of *Tasmania's Affordable Housing Action Plan 2019-2023*.

- 3.112 The Committee finds that providing secure housing and sustained support for individuals exiting correctional facilities reduces reoffending and recidivism.
- 3.113 The Committee considers there is a need for more social housing to be provided to ease the pressure on the private rental market and reduce the number of people facing homelessness and housing stress.
- 3.114 The Committee notes, that the Government's *Affordable Housing Action Plan 2019-2023* aims to provide more social housing, but that the current commitment to 2 400 new social housing dwellings by 2023, will fall short of project demand; and the time taken to deliver this increased social housing is significant and has, to date, had little impact on decreasing the growing waitlist for public housing.
- 3.115 The Committee also notes that there are a number of areas that need reform, including the implementation of programs to identify people at risk of homelessness, and the provision of more exit points with support services to assist people leaving temporary accommodation.
- 3.116 The Committee acknowledges recent developments in crisis accommodation in the Hobart area but is concerned that unless the lack of exit points is addressed that those people who will be temporarily housed in the new emergency accommodation will return to primary homelessness

Recommendations

14. **The Committee recommends the Tasmanians Government's *Affordable Housing Action Plan 2019-2023* includes a key performance indicator that measures outcomes against decreases in the waitlist for public housing.**
15. **The Committee recommends the Tasmanian Government appropriately fund community service providers and government agencies to implement a program to better identify people at risk of homelessness and housing stress. This program must include early intervention strategies and resourcing to reduce caseloads.**
16. **The Committee recommends the Tasmanian Government make a long-term commitment to funding programs that assist people leaving correctional and youth justice facilities into secure housing with support, thus reducing reoffending and recidivism.**

17. The Committee recommends the Tasmanian Government work with registered training organisations to improve the training pathways, recruitment and retention of community service workers.
18. The Committee recommends the Tasmanian Government work with the community housing sector to appropriately fund and provide more support services to assist people leaving crisis or temporary accommodation by assigning case workers for the first 6 months, at a minimum.
19. The Committee recommends the Tasmanian Government develops further options for youth under the age of 16, and that they be placed on a separate housing register waitlist until the age of 16.

Relationship between housing and health

3.117 The Committee heard that homelessness or housing stress can make a significant impact on the health of those individuals experiencing it.

3.118 People experiencing homelessness and housing stress can be more susceptible to illness, and prolonged homelessness can exacerbate conditions. TasCOSS noted:

A major consequence of homelessness and housing insecurity is poor health caused by lack of access to sufficient food, warmth and comfort and by the stress associated with insecurity and financial hardship. It is likely that homeless and poorly housed people are more vulnerable to opportunistic seasonal infections and viruses, mental ill health and chronic diseases, and may therefore put additional pressure on Tasmania's health services.¹⁶⁸

3.119 Many submissions talked of the secondary impacts of homelessness and housing stress. The Salvation Army Tasmania noted that:

People don't directly die of homelessness, but like any chronic condition people can die from secondary impacts. Suicide is occurring, people are dying of accidental drug overdoses because of security of their homes has been compromised. There are people sleeping rough whose health is deteriorating to a point where, as one of my friends who is a frontline worker said to me, it is only a matter of time before he finds one particular person dead. People are dying as a result of impacts from homelessness.¹⁶⁹

¹⁶⁸ Submission No. 36, TasCOSS.

¹⁶⁹ Transcript of Evidence, 14 August 2019, p. 19.

3.120 Holly Ewin also spoke of health factors being affected by a lack of affordable and available housing, commenting:

Most people, over 80 per cent, who are without secure and affordable housing have co morbid health factors, which are only exacerbated by their lack of housing. It also makes people less mobile, less able to attend appointments and more likely to enter the justice system, which sees people punished for doing what they need to survive.¹⁷⁰

3.121 Both physical and mental health are impacted by homelessness and housing stress. Colony 47 commented:

There is also a significant link between having safe, secure, affordable and available housing and a person's physical and mental health.

Recent analysis by the Brotherhood of St Laurence of the housing connect data identified that over 40 per cent of clients have presented identifying mental health as a barrier.¹⁷¹

3.122 With an increased number of homeless people presenting with mental ill-health, there are inadequate resources to support people experiencing mental illness. Shelter Tasmania commented:

Clients with mental health conditions (diagnosed and undiagnosed) are seen regularly in crisis shelters and in the community housing system. People are generally discharged from hospital into crisis accommodation as a housing of last resort. The lack of mental health services for clients presents significant challenges in the housing and homelessness sector, which is already facing a critical shortfall of affordable accommodation.¹⁷²

3.123 The Salvation Army Tasmania commented:

Research by the Australian institute of Health and Welfare Indicates that, of the approximately 241,000 people aged over 10 years who received support from a Specialist Homelessness Service; about one in three had a current mental health condition. This is above the 20.1% of Australians who experienced a mental or behavioural condition in the financial year 2017-18.¹⁷³

3.124 Holly Ewin also commented:

Mental health would probably be the number one priority in my opinion, from all of the study I've done, all of the people that I know and all of the struggles that they are having. I spoke with somebody from Colony 47 and their figures are something like 50 to 60 people sleeping rough around Hobart now. We do

¹⁷⁰ Transcript of Evidence, 15 August 2019, p. 22.

¹⁷¹ Submission No. 31, Colony 47.

¹⁷² Submission No. 31, Shelter Tasmania.

¹⁷³ Submission No. 18, the Salvation Army Tasmania.

*have enough emergency accommodation for all of those people, but what's missing is the wrap-around support that they need. They are not able to go into the emergency accommodation because they have those comorbid factors and they're not supported.*¹⁷⁴

3.125 Shelter Tasmania also commented on the limited options to support those who are suffering from a mental illness:

There is an urgent need to address the housing shortage in Tasmania to both prevent people's mental health getting worse, and to aid people's recovery. The major reason people give for accessing emergency housing services is that they have nowhere else to go, which reflects the shortages across the housing system. Both housing and clinical services need appropriate resources to support people's mental health, especially where people are facing both of these challenges. An affordable, appropriate, safe and secure home for everyone is needed to obtain the social and economic benefits of improving mental health.

*Clients with mental health conditions (diagnosed and undiagnosed) are seen regularly in crisis shelters and in the community housing system. People are regularly discharged from hospital into crisis accommodation as a housing of last resort. The lack of mental health services for clients presents significant challenges in the housing and homelessness sector, which is already facing a critical shortfall of affordable accommodation.*¹⁷⁵

3.126 The Committee heard that homeless individuals can have complex needs. Danny Sutton, Chief Executive of Colony 47, spoke of some of the challenges faced and a new approach that is being trialled:

Turning to the co morbidities, it is really quite a present part of how we work every day. We are seeing a lot of people with complex needs in this group. We see it as a challenge to try to find the right way to solve those problems and to work with people to get the best possible solutions. If you look at our service system, the challenge often is that we have general supports who can provide good support and direction but they are not specialists. They are not psychiatrists, they are not psychologists, they are not mental health nurses....

*We think Housing and Accommodation Support Initiative is a good model to test it. This is what we're testing. If you bring the housing support, the psycho-social support and the clinical support together, you build a plan that is around all of those things and support it well, we're going to get better outcomes than having just a generalist.*¹⁷⁶

3.127 Wendy Fowler also commented on health and other issues, including access to legal services faced by those with insecure housing:

¹⁷⁴ Transcript of Evidence, 15 August 2019, p.24.

¹⁷⁵ Submission No. 33, Shelter Tasmania.

¹⁷⁶ Transcript of Evidence, 14 August 2019, p. 123.

Physical and psychological health is never helped by a Tasmanian winter in a tent. Insecure housing equals poor school attendance, lack of an ongoing relationship with primary health services providers, lack of timely appropriate and ongoing interventions by specialist health education and legal services.¹⁷⁷

- 3.128 In its joint submission CatholicCare Tasmania and CentaCare Evolve, noted an increase in mental health issues in young people who were experiencing homelessness:

Our services are seeing an increasing number of young people experiencing homelessness presenting with; - Emerging mental illness; - Acute depression, anxiety agoraphobia; - Suicide ideation; - Self-harm; and - Eating disorders. Many of whom had their first experience of homelessness as a child presenting to services with their family.

Our services are faced with the challenge of providing responses to presenting needs when what these young people actually need is a specialist youth mental health response, treatment and services to support them through the challenges that prevent them accessing housing, participating in not just education and employment but society in general. Many young people accessing our services not able to receive any form of treatment at all.¹⁷⁸

- 3.129 YNOT commented:

Young people who have experienced trauma often have complex needs and related health conditions including physical and mental health issues, which are exacerbated by housing instability and homelessness. This also reinforces the existing barriers to education and employment. Further impacting this is their potential exposure to, or reinforcement of, antisocial and at-risk behaviour including substance use when experiencing homelessness.¹⁷⁹

- 3.130 The Committee also heard that while poor health was often the result of homelessness or housing stress, that sudden health issues can also result in people losing their homes. Anglicare commented:

Research shows that sudden health shocks can tip people into homelessness if there are not immediate interventions at the moment of vulnerability (Morton, 2106). Morton also identifies people with long term health difficulties as needing long-term government assistance such as the Disability Support Pension in order to maintain housing. This shows the importance of collaboration between government housing and health sectors to identify and provide support.¹⁸⁰

¹⁷⁷ Submission No. 22, Wendy Fowler.

¹⁷⁸ Submission No. 14, CatholicCare Tasmania and CentaCare Evolve Tasmania.

¹⁷⁹ Submission No. 29, Youth Network of Tasmania.

¹⁸⁰ Submission No. 19, Anglicare.

- 3.131 Stephanie Meikle, CEO, Bethlehem House, noted that for homeless men suffering from mental ill-health, and with alcohol or other drug dependencies, there is a significant percentage of people who return to emergency accommodation:

What tends to happen is that men who are with us cycle in and out of drug rehabilitation, hospital services, mental health wards in the hospital, prison, and in that mix there are some happier outcomes as well, they move out into accommodation. About 30 per cent of all the men we see come back. That is a ridiculous statistic given the cost of crisis accommodation.¹⁸¹

Findings

- 3.132 The Committee finds that homelessness can have a detrimental effect on health, and with a lack of access to continued health care, some individual's conditions are further exacerbated.
- 3.133 The Committee finds housing stress also has a detrimental effect on health, with individuals experiencing housing stress struggling to afford continued health care once they have paid for their housing.
- 3.134 The Committee finds that homelessness is putting increased stress on our public health system as a result of conditions aggravated by not having a permanent roof over one's head.
- 3.135 The Committee finds that there is an increasing prevalence of individuals experiencing mental ill-health. There is inadequate support to meet this demand.
- 3.136 The Committee finds that alcohol and other substance addiction is a contributing factor in homelessness, and an inability to sustain longer-term accommodation.
- 3.137 The Committee finds that alcohol and other drug rehabilitation and diversionary services are inadequately resourced to meet growing demand. This is affecting housing outcomes.
- 3.138 The Committee notes that the *Affordable Housing Action Plan 2019-2023* lists a number of actions to have a more client-centric approach to people

¹⁸¹ Transcript of Evidence, 14 August 2019, p. 66.

accessing housing support and finding appropriate accommodation. The Committee however, considers that the Action Plan fails to address the array of other support services that people require once provided with suitable accommodation, to ensure they do not fall back into homelessness.

Recommendations

- 20. The Committee recommends the Tasmanian Government better integrate support services for homeless people when providing suitable accommodation, particularly access to mental health services and alcohol and drug services.**
- 21. The Committee recommends the Tasmanian Government work with service providers and the Tasmanian Health Service to evaluate demand and allocate funding required to provide case management support for at-risk people. This support should be in place for the first 6 months following transition and ongoing where required.**
- 22. The Committee recommends the Tasmanian Government ensure that funding arrangements between the Departments of Communities and Health, are aligned to jointly fund prevention measures.**

Relationship between housing and education

- 3.139 The relationship between housing and education was also considered by the Committee. The Committee heard that insecure housing influenced educational outcomes. TasCOSS commented:

When families with low incomes cannot find affordable housing, this generates financial stress and insecurity that undermines children's health and wellbeing and capacity to engage in education. Secure affordable housing greatly improves people's capacity to find employment, recover from family and domestic violence, and improve their health in the face of chronic illness. This in turn reduces the cost of health and community services.

Poor educational outcomes can have long-term adverse effects, including on health status, employment opportunities, social participation, relationships and income potential. A national longitudinal study published in 2012 found links between insecure housing and poorer outcomes for children's development and educational outcomes, particularly in younger children. Children living in areas with the least affordable housing markets have been shown to have poorer educational outcomes than those who did not. What's

*more, the effect may be cumulative, as the link between housing and affordability and educational outcomes was greater for children aged 12-17 than those aged 6-11.*¹⁸²

3.140 TasCOSS provided the following example of the impact of frequent moving can have on a child's education:

*Case study 6 – Each time they moved house Jason also moved schools, averaging a move each year. A shy person by nature, hard to make friends and easily bullied, Jason felt that he would just be settling in and finding his place at school and the family would move again. He says the disruption to his primary school learning means that the foundations of learning fundamentals is not there and he fell behind quite quickly once he started high school.*¹⁸³

3.141 A further example from TasCOSS was:

*One mother had enrolled in the Working Together for Three Year Olds pilot and seen a huge benefit to her and her child. The child was learning, making friends and getting into a routine. She said that about 4 months into their involvement her landlord increased their rent. Almost all of her money was now going on rent so she was forced to look for alternatives, only finding somewhere affordable 40 minutes away. This mum couldn't drive, and couldn't afford any other transport to get her child to the child care centre, so was forced to withdraw from the initiative. She says this has interrupted the child's routines and set them back. Mum feels guilty that her child is now missing out but there's nothing she can do about it – they can't afford to live in the locality, nor can they afford unsubsidized child care.*¹⁸⁴

3.142 Frequent moving can impact children's learning and ability to attend classes regularly, with TasCOSS noting:

*Unaffordable housing also increase housing mobility, as people are required to move more frequently due to rising costs. Studies have found that as well as increased rates of non-attendance, highly mobile students are at risk for 'broken bonds' with teachers and peers that further disadvantage those need the most help on the classroom. Frequent movement does not just disadvantage the children who move; in schools with high turnover of students, all students suffer because more review and catch-up work is required, with the result that lessons don't move far beyond basic skill levels.*¹⁸⁵

3.143 Anglicare also referrer to the impact of frequent moving on an individual's health and education, commenting:

Affordable and secure housing provides an essential foundation through better outcomes in health, education, employment and early childhood developments

¹⁸² Submission No. 36, TasCOSS.

¹⁸³ Submission No. 36, TasCOSS.

¹⁸⁴ Submission No. 36, TasCOSS.

¹⁸⁵ Submission No. 36, TasCOSS.

(Productivity Commission, 2016). However, Tasmanians are facing increasing house sale prices and increasing private rental prices at the same time as a shortfall of availability of public and community housing. Too many Tasmanians are forced to suffer a series of inadequate, short-term situations while waiting for affordable and appropriate accommodation, resulting in lowered health, wellbeing, education and employment outcomes for thousands of families (Steen 2018).¹⁸⁶

- 3.144 The Committee also heard that young people who are on income support payments often have difficulties in engaging in regular education. In its joint submission CatholicCare Tasmania and CentaCare Evolve Tasmania noted:

We are in the midst of a housing crisis and there are low income working families unable to secure affordable accommodation. On that basis, what chance does a young person on youth allowance, Newstart or no income have? It is near impossible for a young person without a stable home to engage in education nor employment.¹⁸⁷

- 3.145 TasCOSS also commented on a recent study by Swinburne University on insecure housing for youth and its impact on education:

A recent survey of undergraduate university students conducted by Swinburne University in Victoria found 26% reported issues concerning being able to afford safe and secure accommodation impacted at least one area of study. The stress and financial burden of unaffordable housing makes engagement with vocational, higher and other adult learning much more difficult. In Tasmania there are particular problems with access to appropriate accommodation for year 11 and 12 students from rural and semi-rural areas in Tasmania that do not have senior colleges.¹⁸⁸

- 3.146 Educational outcomes can be severely impacted by insecure housing, with TasCOSS highlighting a study of homeless children and their educational outcomes:

Another study in the US compared 102 homeless children with 178 housed children found that those without secure housing scored lower on tests of reading, spelling, and math proficiency. An Australian study of 178 households found conversely that provision of stable, quality public housing provided measurable benefits in educational outcomes for children, increased health and wellbeing of tenants, and reduced health costs for the government.¹⁸⁹

¹⁸⁶ Submission No. 19, Anglicare.

¹⁸⁷ Submission No. 14, CatholicCare Tasmania and CentaCare Evolve Tasmania.

¹⁸⁸ Submission No. 36, TasCOSS.

¹⁸⁹ Submission No. 36, TasCOSS.

- 3.147 The MRC commented on the difficulties that migrant families faced in finding suitable accommodation and ensuring their children receive quality education:

The pressure of finding suitable accommodation is intensified for those who have children attending school. With extended wait times, families often need to enrol their children in schools whilst still in temporary accommodation. In some instances this means the most convenient schools are not best suited to their children, due to a lack of CALD awareness and English as an additional language support. In such cases, children become settled in schools, only for the family to find accommodation in a different suburb. In such cases, often parents will chose not to disrupt their children's education by moving schools, but then have to contend with long journey often relying on public transport. The increase in travel time can also have consequences in the form of increased absence from school, as children who are more quickly confident with English language are often expected to assist their parents attending medical and other appointments.¹⁹⁰

- 3.148 MRC noted further that:

Insecure tenures also impacts on refugee's ongoing health, as well as potentially on their children's education. A number of our clients have been forced to move houses due to rent increases, some after being happily settled in the suburb for three years. All these examples reinforce the fact that good outcomes in health and education for refugees are dependent on long term, stable and secure housing.¹⁹¹

- 3.149 MRC also identified difficulties its clients faced achieving adequate English language and literacy proficiency. They pointed to the significant amount of support needed and how housing difficulties exacerbate these challenges:

The impact of housing on the health and education of humanitarian arrivals cannot be assessed without an understanding of why and how they have arrived in Australia. Many of our humanitarian entrants have come from war torn countries, or been dispossessed of their homeland and many have lived in refugee camps. The majority will have suffered various forms of trauma and experience significant mental and physical health issues. Many of the communities we have welcomed in the last decade may not be literate or have had poor educational opportunities. These people require significant support in order to enable them to achieve necessary levels of literacy, and the educational and employment opportunities which might enable them to seek appropriate housing independently. This may take some arrivals five or more years. In this time, not having access to safe, secure and appropriate housing further exacerbates existing health issues and impacts education opportunities for adults and children alike.¹⁹²

¹⁹⁰ Submission No. 13, Migrant Resource Centre Tasmania.

¹⁹¹ Submission No. 13, Migrant Resource Centre Tasmania.

¹⁹² Submission No. 13, Migrant Resource Centre Tasmania.

- 3.150 CentaCare Evolve and CatholicCare Tasmania's joint submission commented on the service gaps that may impact individuals' educational opportunities and their health:

In delivering our services it is clear there are a number substantial system and service gaps that inhibit many to achieve what in Australia many take for granted in particular, education and a stable income.¹⁹³

- 3.151 CatholicCare Tasmania and CentaCare Evolve Tasmania also commented on how to improve health and educational outcomes:

For improved housing, health and education outcomes for young people (which will also result in improved outcomes for adults and families) children and young people deserve better than what we are currently providing them they need; - Improved access to housing and outreach support through a range of models; - Funding silos to be broken down; - A focus on wellbeing across all life domains; - Better income support; - Better mental health services; - More flexible and trauma informed education; - Support to develop life skills; and - Intensive support linked to employment experience and industry (such as Build up Tassie initiative).¹⁹⁴

- 3.152 Colony 47 also commented on the long-term impact of poor educational outcomes:

Colony 47 also understands that disconnection from education in primary and high school years is a significant barrier to further access to vocational training and employment in later years.

People cannot be healthy, and cannot participate effectively in education without safe, appropriate and affordable homes.¹⁹⁵

- 3.153 Shelter Tasmania also commented on the impact of homelessness and housing stress on education and health:

Overcrowding, housing stress and precarious housing all impact negatively on people's wellbeing, health and capacity to engage in education. It is well known that housing stress, the fear of eviction and housing poverty can trigger new mental health conditions, exacerbate existing conditions, and prevent, disrupt or delay recovery from mental illness. Lived experience of homelessness damages people's mental health.¹⁹⁶

- 3.154 The Committee heard that due to the lack of affordable housing, some individuals need to move further away from the places they work or

¹⁹³ Submission No. 14, CatholicCare Tasmania and CentaCare Evolve Tasmania.

¹⁹⁴ Submission No. 14, CatholicCare Tasmania and CentaCare Evolve Tasmania.

¹⁹⁵ Submission No. 31, Colony 47.

¹⁹⁶ Submission No 31, Shelter Tasmania.

undertake their education, which in turn increases transport costs. YNOT commented on this issue:

Ms O'CONNOR - Tasmania is a very regionalised state and the experience of young people in greater Hobart may well be different from the experience of a young person living in Deloraine or St Helens. Do you have any observations of the different experiences of housing vulnerability for people living closer to cities and living in regions in Tasmania?

Ms HORTON - Part of that will also come down to service accessibility, particularly in those regional areas if you have young people who are experiencing mental health issues or they are looking for support. There are very limited services that are available if they are out in Deloraine or if they are in St Helens. Some of them are moving into the greater Hobart or the Launceston areas to access the services they need for that support. With the current education models, especially in St Helens, we know the cohort around 16-years-old is moving to Launceston or Hobart to continue their studies and finish college. That is another pressure. They move into these large group houses with other students from that area, so there is a lot of movement going on that could be for education services.

Ms HUNT - There are some challenges and what we are seeing is that young people are moving further and further away from their homes but also from the city centres because they can't afford the rent or it is not available or accessible to them in the major areas. They are moving further out, which then has an impact in terms of transport and accessing other services.¹⁹⁷

3.155 The Committee heard a lack of suitable accommodation has led to some tertiary students being unable to continue their education. When asked about the impact of UTAS changing its rules to accommodate only first year students in their campus housing, Tania Hunt, CEO, YNOT replied:

...Yes. We had students contacting us during that period, where they had been told they were not going to have their accommodation offered to them moving forward, and that did have a significant impact, because you had a number of young people who had just found out that they didn't have any accommodation at university, and then they were required to find accommodation in the community.

We know that did result in some young people actually ceasing their tertiary studies. We had one young person who moved to Victoria to work on the family farm because he just could not find accommodation in Hobart. It did impact significantly at the time, and it does have the potential to impact, if this isn't addressed moving forward, for more young people.¹⁹⁸

¹⁹⁷ Transcript of Evidence, 15 August 2019, p. 4.

¹⁹⁸ Transcript of Evidence, 15 August 2019, p. 6.

Findings

- 3.156 The Committee finds that housing stress and homelessness are causing some individuals to abandon their education, with potential life-long negative consequences.
- 3.157 The Committee finds that a cultural shift is required to improve responsibility and responsiveness of service providers and educational institutions to identify and support at risk students.
- 3.158 The Committee finds there is inadequate housing supply and insufficient funding to Housing Connect for supported accommodation, and case support to enable retention in education.
- 3.159 The Committee finds that housing stress and homelessness increases housing mobility, which makes school attendance difficult. At risk students are likely to experience 'broken bonds' with both their teachers and fellow students.
- 3.160 The Committee finds that the increasing rents in Tasmania mean that some families are forced to move from areas they were previously settled, which affects both educational outcomes and the health of individuals as they move around trying to find permanent accommodation.

Recommendations

- 23. **The Committee recommends the Tasmanian Government set up a reporting system for teachers and principals to inform the Department of Education about children and young people who are having difficulties due to insecure accommodation. This information needs to be shared with Housing Tasmania for an individually tailored response.**
- 24. **The Committee recommends the Tasmanian Government explore funding arrangements between Department of Communities and Education to jointly fund measures that improve education retention and outcomes for at risk students.**

4 THE IMPACT OF GOVERNMENT POLICY AND PROGRAMS ON HOUSING AFFORDABILITY

- 4.1 This Chapter considers existing government strategies, policies and programs intended to address housing affordability and homelessness in Tasmania. It considers policies in place to increase housing supply, both private and social housing and how effective these policies are for addressing the current housing crisis.

Affordable Housing Strategy

- 4.2 In their submission, the Tasmanian Government, described the *Affordable Housing Strategy* in the following terms:

The Affordable Housing Strategy (the Strategy) is a 10-year strategy addressing the housing needs of households unable to access the housing market and that require some level of housing assistance. The Strategy details the Tasmanian Government's approach to decrease the proportion of low-income Tasmanian households experiencing housing stress, and decrease the proportion of Tasmanians experiencing homelessness. The strategies to achieve this are:

- Increasing new affordable housing supply to prevent housing stress and homelessness;
- Early intervention through better access to housing assistance to reduce housing stress; and
- Rapid assistance to restore and stabilise peoples' housing with support if needed.¹⁹⁹

- 4.3 The Government advised the Committee that several achievements had been made under the first of the two action plans implemented under the strategy which concluded on 30 June 2019:

Improved access and new supply of affordable land lots and homes have been delivered under Tasmania's Affordable Housing Action Plan 2015-19 (Action Plan 1). Over this four-year period:

- 351 households have been assisted into affordable home ownership including:
 - 147 households assisted through Streets Ahead; and
 - 204 households assisted through HomeShare;
- 291 affordable land lots have been released;
- 453 new social housing dwellings have been delivered;
- 294 households have been assisted into affordable private rentals and rapid rehousing including:

¹⁹⁹ Submission No. 26, Tasmanian State Government.

- 183 households assisted in escaping family violence;
- 16 households assisted after exiting care and rehabilitation facilities;
- and
- 95 households assisted through private rental incentives.

The Tasmanian Government has committed to additional supply under Tasmania's Affordable Housing Action Plan 2019-2023 (Action Plan 2) that will assist approximately 2,000 households, including through providing a further 1,500 new affordable lots and homes for Tasmanians.²⁰⁰

4.4 Acknowledging that *Affordable Housing Action Plan 2* commenced in 2019, the Committee were advised:

The Affordable Housing Action Plan 2 commits to assist 657 households into home ownership by 30 June 2023, of which 351 have already been assisted under Action Plan 1²⁰¹

Concerns about the Strategy

4.5 The Committee heard there were a number of concerns about the *Affordable Housing Strategy 2015-2025* and its Action Plans. Anglicare considered that the Action Plans were not responsive to changes in the housing market:

Anglicare supports the Affordable Housing Strategy and its Action Plans but argues they need to be responsive to changes in the housing market.²⁰²

4.6 Danny Sutton, Chief Executive, Colony 47, raised similar concerns:

With the Affordable Housing Action Plan there needs to be two things. One is that the plan needs to be completed so we need to see action through it. [The Committee Chair] alluded to the other part; that things change during the period of plans.

If you look at the last one, there was a massive change in the way the market was working over the life of the original plan. We start with assumptions in plans, but we have to be courageous enough to adjust them along the way. We think there should be an overall monitoring that should also be monitoring things like the supply and demand characteristics along the journey and what are the tweaks we need to make within the plan to make sure that it remains relevant and on track.²⁰³

4.7 Another concern raised was that there did not seem to be an understanding of the full extent of the housing affordability challenges in Tasmania, which would

²⁰⁰ Submission No. 26, Tasmanian State Government.

²⁰¹ Submission No.26, Tasmanian State Government.

²⁰² Submission No. 19, Anglicare.

²⁰³ Transcript of Evidence, 14 August 2019, p. 125.

ultimately affect how the strategy and its plans were managed and intended outcomes achieved. TasCOSS commented:

While important initiatives are underway already and are intended to address some elements of the current housing affordability challenges, the cost of housing continues to be unaffordable for many. While TasCOSS has a direct focus on those Tasmanians whose income levels or circumstances do not enable them to access the private market housing, the affordability issues now extend well beyond and into the broader population.

*.....
There is still no evidence based understanding of the scale or scope of the housing affordability challenges Tasmanian faces right now, or any projections for the decade ahead at least... If we do not identify and understand the overall housing market, the structural regulatory system, policy, legislation and program responses that are currently failing to enable an affordable housing market in Tasmania, then we will only be part-way there in any of the decisions we make. We also need to identify what will be required in the decade ahead and beyond to deliver what is needed to ensure all Tasmanians have a place to call home.²⁰⁴*

4.8 TasCOSS also considered the Tasmanian Government should consider longer term finance arrangements for community housing providers and that the Action Plans needed a stronger future focus:

TasCOSS supports the growth of a range of new and extended emergency and transition accommodation under the Affordable Housing Action Plan 2 (AHAP 2). However given the extent of unmet need in Tasmania across housing tenures and types, TasCOSS believes the Government should consider longer term finance arrangements for community housing providers under the Better Housing Futures (BHF) program, recognising that there are regulatory, governance and financial challenges unique to the community housing sector. The three key issues are:

- 1) About 45% of the cost of dwelling construction can be raised through social rental housing due to capped rents, so community housing providers need a top-up.¹⁰*
- 2) The loading of housing construction costs on to community housing providers is more pronounced in Tasmania than it is in larger capital cities due to the smaller size of the local communities, high needs and lower income levels.*
- 3) Community housing organisations are restricted in their access to finance which could enable increased construction due to management contracts expiring in 2025.*

We therefore recommend the extension past 2025 of the current BHF management arrangements to enable security of income for future loans to community housing organisations, provided the capacity to deliver stock can be demonstrated and long term tenure for eligible low income households is guaranteed.²⁰⁵

²⁰⁴ Submission No. 36, TasCOSS.

²⁰⁵ Submission No. 36, TasCOSS.

- 4.9 The Committee heard another concern about the Affordable Housing Strategy and relevant legislation was the lack of a definition of ‘affordable housing’. Anglicare told the Committee:

We are concerned that the [Draft Residential Housing Supply Bill 2018] now enacted, along with the Land Use Planning and Approvals Act 1993 (last amended in September 2017), the Homes Act 1935 (last amended in May 2016) and Affordable Housing Strategy 2015-2025 fail to provide definitions of “affordable housing”. Anglicare views affordable housing as housing (public, social or private rental or private home ownership) that does not place the householder in housing stress, which means the lowest 40 per cent of income earners are required to pay less than 30 per cent of their gross income on housing costs (rent or mortgage payments). HACRU provides guidance about building costs for affordable housing, suggesting completion should cost \$180,000 or less at 2012 prices (Verdouw et al. 2015). The failure of government to use a clear definition of affordable housing means there is no certainty that affordable housing policies will serve Tasmanians on low incomes.²⁰⁶

- 4.10 The Local Government Association of Tasmania (LGAT) offered a definition of affordable housing in its submission noting:

Affordable housing is defined as ‘housing which is reasonably adequate in standard and location for a lower or middle-income household and does not cost so much that such a household is unlikely to be able to meet other basic living costs on a sustainable basis’ (Flanagan, 2007).²⁰⁷

Social housing stock and supply

- 4.11 As noted in Chapter 2 the lack of social housing is a factor contributing to housing stress and homelessness. This section looks at the management of social housing stock including the Government’s Strategy which aims to increase the amount of social housing available, and challenges to achieving this objective.
- 4.12 Tasmania’s social housing portfolio is managed by Housing Tasmania in the Department of Communities, which was established on 1 July 2019. The Department includes Housing, Disability and Community Services (HDCS); Children and Youth Services (CYS); and Communities, Sport and Recreation (CSR).
- 4.13 In Tasmania, some housing stock is also owned and managed by Community Housing Providers. According to the 2019-2020 State Budget, “Around 4 000 properties (almost 35 per cent of the State’s social housing portfolio) have been

²⁰⁶ Submission No. 19, Anglicare.

²⁰⁷ Submission No. 20, Local Government Association Tasmania.

transferred for management by the community sector under the Better Housing Futures initiative.”²⁰⁸

Challenges for increasing social housing stock and supply

- 4.14 The Committee was advised by the Tasmanian Government that its current *Affordable Housing Action Plan 2* was intended to increase social housing stock.

*The Affordable Housing Action Plan 2 sets a goal of delivering 1,051 new social housing homes by 30 June 2023. Of these, 453 have been delivered under Action Plan 1. The new homes will be designed to meet the diverse needs of Tasmanians including elderly, those living with disability, families and singles.*²⁰⁹

- 4.15 The Committee heard however, that the current social housing models have resulted in a net decline in social housing stock due to the lack of access to funding. Dr. Kathleen Flanagan, Deputy Director of the Institute for the Study of Social Change, commented:

*In Tasmania, social housing includes public housing and community housing. Neither model has achieved a substantial increase in social housing supply because neither model has access to enough funding - that is funding as distinct from finance. Community housing is slightly better positioned with respect to funding because community housing tenants are eligible for Commonwealth rent assistance. This has allowed them to do more maintenance and provide greater support for tenants, but net supply of social housing in Tasmania is declining and will continue to decline.*²¹⁰

- 4.16 Dr. Flanagan considered that the challenge was that demand for social housing keeps increasing and so the supply under the current models will never be enough:

If you started building now, it is not possible you would over-build. You are not going to build 14 000 properties accidentally in the next two years.

“That's not going to happen. If you started building now, in 2021 when the new census comes out, you could look at recalibrating then - 'Are we going okay?' Certainly when I've talked to my colleagues who were responsible for producing that modelling, their argument is that the numbers are so big, the proportion of new construction that has to be social housing to meet that need is so significant that, really, you could just start building now without waiting for perfect information.

Clearly, if you've a current need of 11 000-plus dwellings, and the current affordable housing strategy has targets in hundreds, there's a fairly significant

²⁰⁸ Tasmanian Government Department of Treasury and Finance (2019), *2019-2020 Tasmanian Budget Government Services - Budget Paper Number 2, Volume 2*.

²⁰⁹ Submission No. 26, Tasmanian State Government.

²¹⁰ Transcript of Evidence, 15 August 2019, p. 90.

shortfall in terms of the capacity of that strategy to address the depth of need currently in the community.²¹¹

- 4.17 Kym Goodes, from TasCOSS, also raised concerns about the current funding arrangements and the need for a systems view of, and whole-of-government responsibility for, the Housing portfolio:

Even the expectation - and I pick up on the comments of the previous two people from the Real Estate Institute that you would not want to be the Housing minister right now - that a small department with a small budget like the Department of Communities Tasmania sitting under a minister responsible for social housing is able to tackle so many factors and elements that sit well outside of that portfolio is, in itself, actually not business as usual. The number of factors that are impacting on the housing market in Tasmania, everything from the international student numbers through to tourism and all those in between that are well documented in our submissions and everyone else's, means that we do need to lift this up to a higher level of thinking and what I would call the systems or helicopter view of this. We must look at how we can get the right governance structures in place so that the responsibility is a whole-of-government responsibility and we can start to address where market failures happened. We would argue that the current structures of the bureaucracy and the broader community sector, the current structures that sit within Cabinet, mean that we need to extend the thinking on this because what we have now is a spiralling effect of what is coming at us faster than we are able to deal with.²¹²

- 4.18 Funding was also an issue for community housing providers, along with increasing construction costs that are influencing commercial viability. Centacare Evolve Housing & CatholicCare Tasmania commented:

Cost of Construction When BHF commenced in 2015, CEH was able to construct new two-bedroom brick dwellings for around \$150,000. At that time average rents were \$165 per week. The minimum cost of construction has now risen 35% to more than \$200,000 per dwelling but average rents have only by risen by 9% to \$180, week. This means that the level of Government support required for CHPs to achieve commercial sustainability from new social housing is escalating at a material rate.²¹³

- 4.19 Mr Tony Walsh, building consultant and builder, gave evidence that there are significant construction cost savings to be found using alternative modular construction methods. His product claims to deliver 30 percent lower build cost,

²¹¹ Transcript of Evidence, 15 August 2019, p. 90.

²¹² Transcript of Evidence, 13 August 2019, pp. 90-91.

²¹³ Submission No. 14, Centacare Evolve Housing & CatholicCare Tasmania.

5-7 percent more usable floor area, up to 27 percent less materials cost, and 50 percent less labour cost.²¹⁴ He said:

I've talked to quite a few building organisations and they are very happy making their money and doing what they do. I think too, reading between the lines and I can't prove this, but I think they are aware of their market position, which is there aren't enough tradesmen around to make the houses that the government want happen. Bearing in mind that we are looking at a 50 per cent labour reduction here, what does that do to the equation? The builders around, I think those involved in the tendering process know where they are going, so I suspect the government is paying top dollar for the houses that they do build. I don't know that for sure but I wouldn't be at all surprised if that is the case.

Ms O'CONNOR - That's the question I was going to come to. So roughly, the cost of building a Housing Tasmania home, a two-bedroom home for example, sits at around \$250 000 to \$260 000 per home, and that is a bare minimum. What is your estimate on what could be saved on those costs? Are we looking at a 25 per cent, a 30 per cent reduction in costs?

Mr WALSH - The costs that we have cited there of 30 per cent, we believe is the conservative minimum. That is made up more in there are some material savings and your overheads stay the same of course, but the biggest saving is in labour.²¹⁵

4.20 Quinten Villanueva from Capital Investments, also highlighted that there innovative products that can bring down construction costs and reduce labour requirements for affordable housing. He said:

Mr TUCKER - The cost of these modulars compared to conventional buildings - a conventional building is about \$3000 a square metre, these days. Is that correct?

Mr VILLANUEVA - Depending on the quality of the build, yes.

Mr TUCKER - What does it cost to build the modulars compared to that, per square metre?

Mr VILLANUEVA - Again, it is economies of scale, because logistics are a critical requirement. If you are looking at 50 pods, or 100 pods at a time, they can have them landed here in Tasmania - that is, two-bedroom pods at about 24 metres each - for about \$40 000 each.²¹⁶

4.21 Another challenge for increasing the stock of social housing is the lack of qualified tradespersons. Professor Richard Eccleston, Director of the Institute for the Study

²¹⁴ Additional Information provided to the Committee – Tony Walsh.

²¹⁵ Transcript of Evidence, 20 August 2019, p. 42.

²¹⁶ Transcript of Evidence, 13 August 2019, p. 61.

of Social Change, considered that there seemed to be a hurdle between housing developments being approved and then being commenced, due to a labour shortage:

What we've seen over the last two years is a really big increase in approvals, notwithstanding individual cases. I'm not thinking about Huntingfield or anything else. Residential developments were being approved, but what wasn't moving were approvals that hadn't been commenced.

Talking to builders, as you do, as I do, about what's going on, it is a labour shortage. I don't blame the individual builders and contractors. The sector was in recession five years ago. They had to let go of staff. Then you have this really sudden demand, and there's a skill shortage. We need to map these things out in parallel. ²¹⁷

4.22 The Committee also heard that there is a shortage of qualified tradespeople to build the necessary homes.

4.23 Some witnesses talked of the lack of skills and training development opportunities in the building and construction industry. This impacts on housing supply in that there are only so many builders locally, and if builders need to be sourced from the mainland then they need to be housed somewhere. In evidence before the Committee, Peter Scott, President, Tasmanian Property Council, commented:

We have met with Jenny Dodd, who is the head of TasTAFE, and we're conscious that she is telling us they have more applicants for the courses they run than they have the capacity to deliver training, so there are constraints around -

CHAIR - In relation to building and constructions particularly?

Mr SCOTT - Yes, particularly. So she would love to take on more plastering apprentices and more bricklaying apprentices and more tiling apprentices, but she can't because for one thing they are busy working for a living and trying to pay for their house, and two, they don't have the teachers available to pass on those skills to those people. That is a capacity constraint in the market, absolutely. I know Jenny was in the paper the other day saying they have fixed a work-around where they could mentor trainers so they could increase their student graduation, but nonetheless a huge investment in TasTAFE to enable us to deliver the skills, including in modularity, would make a big difference to the ability to the state to turn housing approvals into the same number of housing starts, which is not happening. ²¹⁸

4.24 Stuart Collins, Executive Director, HIA, also commented:

²¹⁷ Transcript of Evidence, 4 September 2019, p. 10.

²¹⁸ Transcript of Evidence, 14 August 2019, pp. 60-61.

Another constraint we are exposed to when it comes to supplying affordable housing is the availability of trades. We have a finite workforce, we have been subject to skill-drain to the mainland in the past. It is important that we invest heavily in skills if we are going to meet some of those supply and demand requirements.²¹⁹

- 4.25 Mr Collins talked of a need for more investment in TasTAFE and our VET programs in order to build the Tasmanian workforce in the construction areas. Mr Collins spoke of the difficulties in Tasmania of training the necessary trades:

Within VET and construction pathways you have TAFE but TAFE is only one of the providers. You've got a lot of registered training organisations that also provide construction qualifications. We need to invest more heavily in VET pathways within schools....

We need to start looking at VET earlier and providing those construction pathways into apprenticeships. At the moment, while there has been increased investment in VET and TAFE, there needs to be more. We need to start identifying some of the deficiencies. A lot of focus tends to be on what I call the glorified trades such as carpentry, which leads to building pathway. The information available to me is that, with the workforce, we are going to have a lot of shortfalls with the finishing trades as we move forward.²²⁰

- 4.26 Ben Wilson, Tasmania Vice-President, HIA and Mr Collins, jointly commented on educational pathways to ensure Tasmania had suitably qualified tradespeople:

Ms BUTLER - What can government do to further create greater pathways for attracting younger people, year 11 and 12 students, for instance, who would like to have careers in the building and construction, engineering or related industries?

Mr WILSON - As an industry, it's something we've very much been proactively working on. That is, the awareness within the education system of building and construction being a career path of choice. Traditionally, it potentially hasn't been seen that way. It might have been seen as second fiddle for somebody who might not have been able, academically, to take university courses and those sorts of things. Career pathways are available - certainly it can be done in the building and construction industry through university degrees - but predominantly there is a lot of opportunity to learn while you are on the job. That's one of the barriers we constantly hear from an industry perspective, from our membership. That is, the education system's understanding and recognition of the critical opportunities sit within building construction and promoting that to students at an earlier age, making them aware of those career options at an earlier age.

Mr COLLINS - You've probably heard me say this before. VET needs to have equal standing with university pathways. I've also said in the past that it would be nice, if I went to one of these school presentations, that the dux of the

²¹⁹ Transcript of Evidence, 14 August 2019, p. 93.

²²⁰ Transcript of Evidence, 14 August 2019, p. 94.

school was somebody who had pursued a VET pathway as opposed to more of an academic-type pursuit.

It's also looking at the entry and exit points with respect to training. It seems the traditional model of apprenticeships may have had its day. I'm not suggesting we don't take on apprentices. There's still a need for apprentices but it might be, and the unions will hate me saying it, that there may be a need to acquire different skill sets, which could then lead to a qualification further down the track. For example, if all you do is fascia and gutter, why do you need to go and do roof plumbing? Once you get those qualifications to do fascia and gutter, a couple of years later you could complete your roof plumbing and get the full qualification.

I also think there's a need for bite-sized training. As an industry, we've spoken about innovation within Tasmania. We need to provide digital training for our members. That's an absolute must.²²¹

- 4.27 John Stubleby, CEO, Hobart City Mission, identified some issues with the job readiness of some apprentices coming out of TasTAFE, commenting:

On top of that, I have been told anecdotally that the building industry has struggled with, I'd like to put it diplomatically, the capability of young apprentices coming out of TasTAFE. There is a sense that they are not job-ready. I was told that came about 20 years ago when TAFE went to a competency-based assessment, so they were coming out, dare I suggest, barely competent as opposed to job-ready. Builders who are already too busy don't want to or can't afford to spend the time teaching an apprentice from scratch, so that is one aspect.²²²

- 4.28 It was noted in the Hobart City Mission submission that:

We have been told by those who have worked in the building industry that they have lost confidence in TasTAFE to train young tradespeople to a level that it makes it financially viable to employ them as apprentices. We are told this has resulted in the building industry only looking to employ qualified tradespeople rather than take on apprentices.

If this is in fact the case, this would clearly impact the ability of the building and construction industry to grow quickly to meet the increased demand for building services, both residential and commercial.²²³

Maintenance of social housing stock

- 4.29 The Government's submission to the inquiry provided an up to date summary of the maintenance liability:

²²¹ Transcript of Evidence, 14 August 2019, pp. 94-95.

²²² Transcript of Evidence, 15 August 2019, p. 13.

²²³ Submission No. 16, Hobart City Mission.

The housing deferred maintenance liability is the amount of funds required to undertake works required as a result of natural deterioration and to restore property assets to their optimum intended functional condition. The Tasmanian Government's maintenance liability comprises two sections: Public and Aboriginal housing – properties owned and managed by the Director of Housing; and Community housing – properties owned by the Director of Housing but managed by non-government organisations under the Better Housing Futures (BHF) Program

As at May 2019, the maintenance liability associated with public and Aboriginal housing was \$25.45 million. The maintenance liability associated with community housing was \$34.55 million. The total liability of \$60 million is a reduction of \$9.45 million since the commencement of the BHF Program.

The reduction of the maintenance liability has been achieved through a variety of measures including leveraging Commonwealth Rent Assistance (CRA). Only social housing tenants are eligible for CRA. While tenants in public housing and social housing will pay the same rent, the CRA is captured by the BHF provider, enabling BHF providers to re-invest more heavily in maintenance activities.²²⁴

- 4.30 Peter White, Chief Executive, Housing Tasmania, advised the Committee that stock transfers to the community housing sector under Better Housing Futures has resulted in reduced maintenance liabilities for Housing Tasmania:

... the experience we have had with the management transfers has been a positive thing. We are seeing benefits around maintenance liabilities being reduced, and opportunities that have opened up around some new supply in those areas as well, both in social and affordable housing.²²⁵

- 4.31 The Committee heard that there appeared to be a lack of funding to deal with public housing maintenance in a timely manner. Sue Hickey MP, Member for Clark, considered that the current management of maintenance of social housing is lacking:

The Department's capacity to deliver quick cost-effective repairs and maintenance is insufficient which leads to appalling living conditions for the tenants and a diminishing value of the State's assets.

It appears maintenance now looms as a major liability for the government.²²⁶

- 4.32 Ms Hickey also considered there was a backlog of maintenance issues:

²²⁴ Submission No. 26, Tasmanian Government Submission.

²²⁵ Transcript of Evidence, 13 August 2019, pp. 10-11.

²²⁶ Submission No. 35, Hon. Sue Hickey MP, Member for Clark.

... The biggest problem is that we haven't maintained the properties we have. Why do we have a \$73 million or \$50 million, whatever this figure is, backlog of maintenance? If you have boarded-up houses -

Ms O'CONNOR - Underfunding.

Ms HICKEY - You will hear no argument from me. What I am saying is that Housing can only do what it can do with the money. Every single department of the government should be looking for efficiencies.²²⁷

4.33 Patricia O'Duffy, from St Helens Neighbourhood House, also considered that lack of funding was affecting maintenance of public housing:

Ms BUTLER - I've been assisting some constituents in the Thompson Court area of St Helens and have been mortified by the condition of some of the social housing properties in that area. Could you outline the condition of some of the social housing properties and the difficulty in having Housing Tasmania respond to that maintenance issue?

Ms O'DUFFY - I am probably involved on two sides, supporting the community - when they get their properties, they get this checklist and they have to maintain it. There needs to be a conversation with staff as to the capacity of some of the tenants with regard to maintenance and communication. A lot of clients come in and tell me this. I had a client come in last month and she was literally trembling. She was in a wheelchair and she was saying something happened with the property, this was broken, and there was that sort of big-brother attitude approach to telling her to fix it.

Knowing a lot of residents at Thompson Court, there is a need, I would suggest, for Housing Tasmania to have workshops with the tenants, giving some empowerment to them regarding their homes. That gives them some incentive to keep the home in a good condition. A lot of it gets bogged down. I don't know what the budget line is like to maintain them. I don't know if there is enough, but I do know from the client's point of view that the normal wear and tear in the house and the capacity to have the money to fix it or repair it isn't there.²²⁸

4.34 Wendy Fowler, a resident in St Marys, Tasmania, was also concerned about the condition and maintenance of some local social housing properties with which she was familiar:

The one observation I would make about those two properties is that there would not appear to be a particularly regular maintenance schedule. I was visiting somebody three or four weeks ago and she went to the loo and the toilet handle came off in her hand, which was pretty inconvenient. Because she is a woman with an acquired brain injury she was really quite distressed about that.

.....

²²⁷ Transcript of Evidence, 14 August 2019, p. 5.

²²⁸ Transcript of Evidence, 15 August 2019, p. 75.

I don't think there is a massive delay between someone vacating and someone else moving in, but my observation of the maintenance is just poor stewardship is the only way to express it. If you own a property yourself, you paint the front door from time to time to keep it in reasonable nick. It seems to me to be false economy not to have a regular schedule of when the painter goes to St Marys and paints all the front doors. If we, the taxpayers of the state, owned those front doors, they ought to be looked after and they don't seem to be.²²⁹

- 4.35 Colony 47 proposed that a code be developed to ensure that maintenance was carried out to a particular standard:

The Tasmanian Government develops a Housing Client Service Code to mandate the maintenance requirements to meet acceptable standards.

The Tasmanian Government requires that Housing Tasmania and the community housing providers report annually on their compliance against the client service code as part of a Price and Service Plan review.²³⁰

- 4.36 The Committee heard that Community Housing Providers were often in a better position than the public housing provider to keep stock maintained. Dr. Kathleen Flanagan, Deputy Director of the Institute for the Study of Social Change, commented:

Community housing is slightly better positioned with respect to funding because community housing tenants are eligible for Commonwealth rent assistance. This has allowed them to do more maintenance and provide greater support for tenants, but net supply of social housing in Tasmania is declining and will continue to decline.²³¹

- 4.37 Professor Eccleston, Director of the Institute for the Study of Social Change, did however advise the committee that the cost of maintenance prevented some providers from purchasing new stock:

It's a big asset base of \$2 billion, as you pointed out, but the return is just so low that you can't leverage it very much. One of the challenges for the social and community housing providers is that the ongoing maintenance, upgrade and management has been such that they haven't had as much capital available to invest in new stock and new supply as they hoped. Some of that has come online over the last year or so.

.....
Part of the problem, as Kathleen said today and documented widely, is the underinvestment in social and community housing across the country. Over

²²⁹ Transcript of Evidence, 15 August 2019, p. 19.

²³⁰ Submission No. 31, Colony 47.

²³¹ Transcript of Evidence, 15 August 2019, p. 90.

decades in Tasmania, that means that the quality of housing stock has declined, with all of the implications and consequences of that.²³²

- 4.38 Noel Mundy, General Manager, Housing and Community Services, Anglicare, outlined some maintenance issues which developed as a result of the Better Housing Future initiative:

If I could just talk about some previous experiences with Commonwealth Rent Assistance in the Better Housing Future space, the initiative was there to assist Better Housing Future providers to create more stock out of that. There is no doubt that the quality of the stock that was taken over required a lot of maintenance and redevelopment. Whilst that Commonwealth Rent Assistance was invaluable to those providers, it probably was not available to build extra stock because of those issues. I would totally agree that it is a much-needed addition to what the tenant can pay but it is not meeting the overall needs of the private rental market as well.²³³

- 4.39 The Committee also heard that, in addition to transferring the maintenance liability to Community Housing Providers, Housing Tasmania was reducing maintenance liabilities by selling houses in need of significant repair:

Ms STANDEN - ... In relation to managing what you have said is a very tight supply situation, has the department changed any of its approach to maintenance and sale in order to maximise availability of housing stock?

Mr WHITE - We operate under a strategic asset management plan for our portfolio. I need to state as well that it is important within these plans that you have sales of properties. There are reasons for why we want to sell properties. Last financial year, I think we looked at 43 sales across our portfolio. So if you are looking at a portfolio of roughly 12 500, an extremely small percentage of homes have been sold and, of those, quite a number have gone to people under either the Streets Ahead or our HomeShare programs. So eligible households have been able to move into home ownership.

CHAIR - Does that mean, though, in relation to your strategic asset plan that you have deliberately reduced sales where you can?

Mr WHITE - Yes. What we are doing under our plan - and it is one of the actions we have in our action plan - is looking at a reinvestment model across our portfolio in a lot of areas. Chigwell is a good example, as is Claremont and Warrane, where we have well-located sites now but often the homes are 1950s weatherboard, so we have opportunities to both renew the portfolio by, in some cases, demolition or, in other cases, we have seen upgrading those homes and then increasing the density by putting in units as part of the redevelopment. In some cases, you might have three homes that are demolished and replaced with eight units that can be two-bedroom, energy-efficient, accessible dwellings. We are also always looking to reprofile the portfolio. Some of that we have done in association with our community

²³² Transcript of Evidence, 15 August 2019, p. 99.

²³³ Transcript of Evidence, 13 August 2019, p. 73.

providers and some we have done ourselves in ensuring we have that supply of well-located stock. As to the decision-making, we go through looking at our portfolio and those sorts of properties, we ask if they are suitable for long-term retention as rental properties. Perhaps they could be used for redevelopment, particularly where you might have a cluster of titles and properties. Similarly, we have properties we flag for potential sale, perhaps because of location it might be the slope and topography, or the age of the home, et cetera, where they are just not suitable for redevelopment, so when they become available we will look at sale of those. In some cases it is the condition of the properties to bring them up to a temporary standard.²³⁴

Historic housing debt

4.40 In September 2019, the Federal Minister for Housing, the Hon Michael Sukkar MP, announced that the Commonwealth-State housing debt liability of \$157.6 million would be waived.²³⁵

4.41 On 9 September 2019, a joint media release from the Minister for Housing and Assistant Treasurer the Hon Michael Sukkar MP and the Tasmanian Minister for Housing, Roger Jaensch MP, stated:

*The Tasmanian Government will save \$230.2 million in total interest and principal repayments to 2041-42 (end of loan term) and is required to redirect all of their scheduled repayments to programmes that increase access to social housing, reduce homelessness, and improve housing supply across Tasmania.*²³⁶

4.42 On 11 September 2019, Roger Jaensch MP, Minister for Housing tabled the *Agreement Between the Commonwealth and Tasmania – Waiver of Outstanding Housing Related Loans*, which was signed on 8 September 2019, and detailed the debt waiver as follows:

1. Under the Public Governance, Performance and Accountability Act 2013, the Finance Minister agrees to waive the total outstanding balance of Tasmania's loans, as at the date of this agreement, owed to the Commonwealth under the Commonwealth-State Housing Agreements and Loan Council – Housing Nominations (**housing related loans**).
-
2. From 2019-20 to 2041-42, the Tasmanian Government agrees to redirect the annual expenditure that would otherwise be dedicated to interest and principal repayments of the housing related loans for each financial year (**additional annual funds**), to programs that increase access to social

²³⁴ Transcript of Evidence, 13 August 2019, p. 11.

²³⁵ Media Release dated 8 September 2019 – 'Morrison Government to waive Tasmania's housing debt to Commonwealth', Website of the Hon. Michael Sukkar MP – Appendix A

²³⁶ Ibid

housing, reduce homelessness, and improve housing supply (including by facilitating changes to planning and zoning) across Tasmania.²³⁷

- 4.43 A full copy of the agreement is located at Appendix A.
- 4.44 Following this agreement, the Committee wrote to the Minister seeking further advice about how the newly released funds would be allocated and what revised targets would be set. A response was received on 13 October 2019, and provided no further detail.
- 4.45 The majority of evidence to the inquiry was received by the Committee prior to the housing debt being waived. However, the Committee heard that this historic housing debt was a significant barrier to achieving better housing outcomes. TasCOSS commented:

A major impediment to the expansion and maintenance of social housing in Tasmania is the historic debt carried by the Tasmanian government to the Commonwealth Government. The debt was incurred in the period, prior to 1989, when the Commonwealth provided loans under the CHSA rather than grants to the states, and the debt has been carried by “Housing Tasmania” for over two decades. This debt has seriously constrained the continued growth of social housing in Tasmania, but also exacerbates the affordable housing shortage in the State.²³⁸

- 4.46 The Committee heard there was general support for a debt write-off. Shelter Tasmania called for the debt to be ‘retired’ or shared across all of Government and not only the housing portfolio:

Repayment of the historic housing debt of \$157M to the Commonwealth continues to be a drag on the State’s capacity to deliver affordable housing and sustain the system of public housing. In 2018-19, repayments to the Federal Government have taken over \$15 million out of the State’s resources for housing, in line with previous years. This means that half of the federal housing grant of \$30M is repaid to the Australian government every year before a cent is spent on housing in Tasmania.

Shelter Tas calls for the burden of Tasmania’s historic housing debt to be shared across all of government, not just the housing portfolio. Retirement of this historic housing debt would enable much needed capital investment in affordable housing, which we need now more than ever.²³⁹

²³⁷ Agreement Between the Commonwealth and Tasmania – Waiver of Outstanding Housing Related Loans, dated 8 September 2019.

²³⁸ Submission No. 36, TasCOSS.

²³⁹ Submission No. 33, Shelter Tasmania.

- 4.47 Wendy Fowler also considered that the debt should be written off and the money saved, should be reallocated for the housing portfolio and not shifted to other agencies:

While outside my expertise it does seem to me that there is an argument for some sort of debt write off as long as the money is ring fenced and only available for building more public housing stock or maintain that currently requiring ongoing work.²⁴⁰

- 4.48 The Committee heard that the historic housing debt was preventing the delivery of new stock. COTA commented:

Endeavours to remove our historic housing debt to the Commonwealth are critical to addressing (the delivery of new stock).

*.....
Historic housing debt has severely limited the financial resources available to successive Tasmanian governments to invest in new housing stock and to maintain existing stock. Increased supply of social housing is critical if we are to house the most vulnerable in our community.²⁴¹*

- 4.49 TasCOSS also considered the debt was affecting the supply and affordability of housing:

Despite this inaction, for over ten years TasCOSS, Shelter Tas and many others in the community sector have drawn attention to the impact that Housing Tasmania's historical debt to the Commonwealth would have on the supply and affordability of Housing.²⁴²

- 4.50 The Committee heard from many organisations as to how the funds saved by the waiving of the debt could be used. TasCOSS commented:

These funds would allow the State Government to invest directly into affordable housing, by increasing the stock of affordable rental housing, providing more social housing and increasing supported accommodation for those who need it, particularly young people, older Tasmanians and people fleeing family violence.²⁴³

- 4.51 Anglicare provided a similar perspective on how the funds could be invested:

About half of the \$30m annual grant provided to Tasmania by the Federal Government is paid back each year as housing debt. This means \$15m less each year to house and support Tasmanians in critical need. Unless the government changes how this debt is managed, Housing Tasmania services will remain

²⁴⁰ Submission No. 22, Wendy Fowler.

²⁴¹ Submission No. 25, Council of the Aging.

²⁴² Submission No. 36, TasCOSS.

²⁴³ Submission No. 36, TasCOSS.

constrained for a further ten years at least. TasCOSS estimates the debt repayments equate to 50 additional new builds annually (Ducker & Kitto 2019).

Along with other community sector agencies, Anglicare has long called for the impacts of Tasmania's historic housing debt to be removed from Housing Tasmania's ability to deliver services. The Tasmanian Government could ask the Federal Government to forgive the debt or the Tasmanian Government could choose to remove the repayments from Housing Tasmania's budget in order to allow the full amount of the Federal Government housing funds to be invested in addressing the needs today for public and community housing.

Anglicare recommends

- Remove the historic housing debt from Housing Tasmania's budget and ensure the money that is freed up each year is directed into new supply of affordable housing.²⁴⁴

4.52 Colony 47 suggested that proceeds should be directed to a specific cause, such as youth housing:

*The Tasmanian Government creates a funding pool that captures the proceeds of the outcome of the debt negotiations with the Federal Government and mandates that the pool is directed at projects for youth housing.*²⁴⁵

4.53 Amy Hayashi from the Constellation Project, Mission Australia, considered the \$15 million per annum should be used to increase housing stock through a strategic portfolio plan:

*We looked at how we could we make the most of this \$15 million and how we could get the most homes, but not just the most homes in terms of numbers, the most homes in terms of positive outcomes. We want to create homes that are going to last for 20 to 30 years and that will meet the needs of Housing Tasmania right now and into the future. There are a couple of ways we could look at doing it. I think the bottom line is the most straightforward way. We can take \$15 million and we can purchase homes out of the market. Or we can try to employ some of these other tools to see if we can make this \$15 million stretch a bit further over time and look at it just as not a one-off annual contribution but look at it as a 10-year delivery plan for social housing. This is why the department and the public housing authority are so important. They are critical in this discussion. This is an opportunity for a strategic portfolio plan that could last for 10 to 15 years could see the delivery of new homes. Also, potentially we could look at how this could be used to revive and refresh existing housing stock.*²⁴⁶

²⁴⁴ Submission No. 19, Anglicare.

²⁴⁵ Submission No. 31, Colony 47.

²⁴⁶ Transcript of Evidence, 15 August 2019, p. 51.

Findings

- 4.54 The Committee notes the need for longer term financing arrangements for community housing providers to enable security of income for future loans.
- 4.55 The Committee acknowledges concerns that the *Affordable Housing Action Plans* and relevant legislation do not provide a clear definition of 'affordable housing'.
- 4.56 The Committee does however note that the Affordable Housing Strategy defines 'affordable housing' as 'rental homes or home purchases that are affordable to low income households, meaning that the housing costs are low enough that the household is not in housing stress or crisis.'²⁴⁷
- 4.57 The Committee finds that Housing Tasmania's maintenance liability for social housing stock has reduced, however, some of that liability has been transferred to Community Housing Providers.
- 4.58 The Committee finds that while Community Housing Providers are eligible for Commonwealth Rent Assistance to support their work including maintenance, the cost of maintenance has limited the Community Housing Providers' capacity to invest in additional new housing supply.
- 4.59 The Committee received a number of proposals for the use of funds released as a result of the housing debt being waived, and finds that there are real opportunities that should be explored to increase the supply of social housing and homelessness support.
- 4.60 The Committee finds there are opportunities to prioritise the additional funding to housing for at risk cohorts to improve outcomes for young people, women and children escaping domestic violence, former humanitarian entrants and people exiting correctional facilities.
- 4.61 The Committee finds that despite the goals laid out in the *Affordable Housing Action Plan 2*, under its projections it will not meet the demand for new social housing stock.
- 4.62 Current social housing models in Tasmania have not resulted in enough new housing supply. The transfer of stock from Housing Tasmania to Community Housing Providers has resulted in some benefits, but it has not yet led to substantial additional supply.

²⁴⁷ Tasmanian Government Department of Communities, *Tasmania's Affordable Housing Strategy 2015-2025*, September 2015, p. 33.

- 4.63 The Committee notes there is limited information about the activities and financial performance relating to the Department of Communities and social housing specifically. The Tasmanian Government's submission contained a series of publications promoting strategies, plans, and a quarterly housing report from April-June 2019, but the Committee did not receive specific budget information, previous annual performance reports, financial details about capital expenditure, or other related financial information.
- 4.64 The Committee also notes that at the time of writing, the Department of Communities had not yet released its annual report. Accordingly, the Committee did not receive adequate evidence in order to make any assessment about public finances relating to social housing and homelessness.
- 4.65 The Committee considers that this lack of transparency in relation to the finances for Housing Tasmania and social housing needs to be more readily available and that the Government's quarterly housing reports (which report progress against the action plans) should provide financial information.
- 4.66 The Committee finds on the evidence that there is a deficit in the current TAFE programs available in the training of construction jobs. There is a shortfall of qualified tradespeople available in Tasmania to perform the necessary building work.
- 4.67 The Committee finds that on the evidence that this shortage of workers in Tasmania means that an increased number of trades must be brought in from outside of Tasmania. This, in turn, puts stress on the housing market as these workers must find somewhere to reside while they complete construction contracts.
- 4.68 The Committee finds that there are innovative, more efficient and less expensive alternative construction methods becoming available. These methods should be further developed and adopted, where applicable, by Housing Tasmania and Community Housing Providers, for affordable housing.
- 4.69 The Committee recognises the critical role Housing Tasmania has in research and policy development, as well as owning, managing and increasing the supply of social housing, as the agency that supports the most disadvantaged Tasmanians.

Recommendations

25. The Committee recommends the Tasmanian Government ensures reporting on actions and targets to reduce Housing Tasmania's maintenance liability, and that it is included in current and future Affordable Housing strategies and/or action plans.
26. The Committee recommends the funding received from the housing debt waiver be allocated to new social housing for at-risk Tasmanians.
27. The Committee recommends the Tasmanian Government immediately establish a third *Affordable Housing Action Plan* from 2023 to provide clear direction over the next period to 2036 once the second action plan has concluded.
28. The Committee recommends that Housing Tasmania, Community Housing Providers and industry groups work together to develop innovative, quality, efficient and less expensive alternative construction methods.
29. The Committee recommend the Tasmanian Government continue to ensure the long-term viability and capacity of Housing Tasmania.
30. The Committee recommends the Tasmanian Government with consultation with Community Housing Providers consider further transfer of management of housing stock linked to KPI's to increase stock (for example, for every three additional properties that are transferred for management, one additional home to be constructed by the CHP).

The need for more and better supported accommodation

- 4.70 As noted in Chapter 3, there is a lack of exit points for people leaving temporary accommodation and a need for more support services for people leaving crisis accommodation, to assist them in finding secure housing.
- 4.71 The Committee heard about supported housing from a number of witnesses. Anglicare told the Committee:

An important element of supported accommodation is to provide more than a roof. This model is suitable for a range of needs, including people who need to learn specific skills in order to live independently and people who require

*intensive support to cope with complex health and social issues. In particular, there is very little appropriate crisis or long-term accommodation for people who experience complex trauma. Anglicare is supportive of suggestions such as more men's shelters and 24/7 drop-in centres. We also need more lodges for people who may find it difficult to live independently long-term.*²⁴⁸

4.72 The Youth Network of Tasmania noted:

*Supported accommodation is an excellent model for young people that require services and support to learn to live independently. However, those that decide to leave supported accommodation are unable to find appropriate and affordable housing in the private market. This results in continued reliance on the social housing system.*²⁴⁹

4.72 The YNOT suggested that the Education First Youth Foyer Models could be used as an option to support some young people, but that it would not be appropriate for all young people:

*The introduction of Education First Youth Foyer Models in Tasmania provides viable long term supported accommodation options for some young people. YNOT acknowledges that this model can be highly effective in achieving positive education and employment outcomes for young people who are willing to make a commitment to engage and remain in education and/or training.*²⁵⁰

4.73 In evidence before the Committee, Jo Horton, Project and Policy Officer from the YNOT, said there is a need for a wraparound service care for youths and young people.

There are anecdotal conversations we've had with service providers, where young people have had their benefits cut off, because they have missed appointments that they weren't aware of. Then there's an exclusion period. I'm not going to say the period because I'm not 100 per cent sure, but there is an exclusionary period, which is significantly more than four weeks, and they will not be able to receive benefits during that time. If they are studying full-time and they don't have another job, they are then significantly impacted financially in that space.

There's also an expectation of engagement with either work or study. Again, when we come back to what we're asking for, what we were talking about with the Education First Youth Foyer models, is if you have highly traumatised young people, it can be really hard to get them to engage with federal services like Centrelink, and then also to be able to engage with study and employment. Until that trauma is treated and they are –

²⁴⁸ Submission No. 19, Anglicare.

²⁴⁹ Submission No. 29, Youth Network of Tasmania.

²⁵⁰ Submission No. 29, Youth Network of Tasmania.

Ms O'CONNOR - There's a therapeutic response?

Ms HORTON - That's exactly right. They need full wraparound-service care, and until that's met, they're not going to be able to engage with the level the federal government requires for them to be able to continue receiving their benefits. It's a roll-on effect.²⁵¹

4.74 Likewise, Colony 47 shared the same view:

To provide a positive and supporting environment for young people Colony 47 has implemented a program for clients and staff based on the UK FOYER model called Advantaged Thinking.

The Advantaged Thinking model embraces two key elements that assist in the client centred design and delivery of services and the development of capabilities in young people to progress to independence. They are:

1. Practice principles in the design and delivery of services to create a place for people to be positive and engaged, a focus on people and their inherent strengths and capabilities, a concept of mutual obligation to each other to pursue education and personal development called The Deal, creation of opportunities for young people to learn and grow and The Campaign to promote an Advantaged Thinking approach.

2. The seven tests of Advantaged Thinking which develop a positive a client centred culture include:

- a. I will talk about people without stereotyping them.
- b. I will understand people by what they can do and aspire to be.
- c. I will work with people by coaching growth and positive risks.
- d. I will invest in people to promote their potential to thrive.
- e. I will believe in people.
- f. I will involve people so experiences can shape solutions.
- g. I will challenge myself and others to promote Advantaged Thinking.

Colony 47 believes that the creation of a positive strengths based approach that engages and supports people in their education and their capacity to develop skills that lead to independence, and the implementation of more FOYER and FOYER like services is important to supporting them to achieve their goals in life.²⁵²

4.75 Anglicare recommended to the Committee that there is a requirement for:

Increased funding for supported accommodation facilities and services across the state, including appropriate options for unaccompanied homeless children, singles, families and older people and for people with low needs and people with complex trauma.²⁵³

²⁵¹ Transcript of Evidence, 15 August 2019, pp. 5-6.

²⁵² Submission No. 31, Colony 47.

²⁵³ Submission No. 19, Anglicare.

4.76 Anglicare told the Committee that its research had found:

Anglicare's research into youth homelessness (Pryor 2014) and unaccompanied homeless children (Robinson 2017a&b) exposed the disadvantages many young people face such as complex trauma and neglect, homelessness, barriers to attending school and mental ill-health because of a lack of services specifically aimed at providing appropriate housing as well as care for vulnerable young people. Our research pointed to the need for specific specialist services, and in particular appropriate supported housing, to help young people successfully challenge disadvantage. Anglicare also found school re-engagement of vulnerable children in Tasmania was made more difficult by insecure housing and insufficient care provision, leading to negative impacts on education, employment and wellbeing outcomes (Robinson 2018).²⁵⁴

... this model is not suitable for all young people, particularly those experiencing complex issues who are unable or unwilling to engage in education and/or training. These cohorts of highly vulnerable young people experiencing homelessness are likely to be ineligible for Education First Youth Foyers, and have no other long term supported accommodation options available to them.²⁵⁵

4.77 The Committee notes that two Youth Foyers are contained within the current 2019-2023 Tasmania's *Affordable Housing Action Plan* for Young People.²⁵⁶

4.78 According to Tania Hunt, CEO of the YNOT:

... we do believe that the Education First Youth Foyer models are an excellent, viable option for some young Tasmanians, certainly those young Tasmanians that are willing or interested in participating in education and training. We think it is fantastic in that sense. What we have concern about is that we have a housing crisis. We have a lack of affordable and available housing and there are significant numbers of young people that would potentially be eligible for the foyer. What we are concerned about is that there is the potential for young people to be selected based on outcomes rather than need.

What we know is that there is some eligibility criteria around the youth foyers, so that young people need to be willing and keen to get an education and be willing to make a commitment to stay in education and training. What we know is that not all young people are in a position to engage in education and training. We have a lot of young people experiencing complex health issues. That can be anything from social to emotional difficulties, substance abuse, mental health, intellectual disability and educational difficulties. What we are concerned about is that there is a group of young Tasmanians who are highly vulnerable, who wouldn't necessarily be eligible for this type of supported accommodation and have no other options available to them. We know that

²⁵⁴ Submission No. 19, Anglicare.

²⁵⁵ Submission No. 19, Anglicare.

²⁵⁶ Department of Communities Tasmania, Actions for Young People – Fact Sheet

<https://www.communities.tas.gov.au/housing/tasmanian_affordable_housing_strategy/our-priorities-and-targets/actions-for-young-people-fact-sheet>

*this particular model is great for some young people. We know that it has had fabulous outcomes in Victoria, but we also need to acknowledge that there is quite a comprehensive housing and homelessness service system in place for young people in Victoria.*²⁵⁷

4.79 Discussing Baptcare's MiCare Choices program, TasCOSS raised its concerns about the lack of support for people transitioning from one form of supported housing to another:

*MiCare Choices provides people with severe and persistent mental health needs, support in the community; partnering with them on their journey towards recovery. The aim of the MiCare program is to assist people to access the services they need to improve and maintain their quality of life.*²⁵⁸

*... It is important to highlight that limitations in the availability of affordable housing options hinder the ability for people being supported by Micare Choices to transition from crisis accommodation into their own independent accommodation. There are many implications of this, primarily that an inability to source safe and appropriate accommodation will detrimentally affect the mental health of people receiving Micare Choices services and result in longer stays at Karingal which limits the ability for other people to utilise the service.*²⁵⁹

*Programs such as these are not fully sustainable without adequate 'exit points', for example from hospital into affordable and stable housing. The right type of support is essential to maintain stable housing however suitable housing needs to be available in the first place.*²⁶⁰

4.80 The need for supported accommodation was raised by Lesley Ikin, Karinya Young Women's Service, when discussing their younger clients:

*Your 13- to 16-year olds don't even have access to an income so they're completely out of the property market and the housing market. For those 16 and above it's a matter of accessing unreasonable to live at home or whatever other type of benefit they might be able to access, depending on their circumstances. In some of those cases the circumstances are very clear cut. They aren't able to live at home any more for reasons of family violence, drugs and alcohol, or overcrowded situations, which often happens. But there is a time lag in terms of accessing income in any case. Added to that is the fact that most of them have never lived independently and in some cases haven't had particularly strong role modelling in terms of independent living and how to manage a tenancy. So even if they can find accommodation they need the support to be able to maintain that accommodation. For most of them private rental is not on the cards at all.*²⁶¹

²⁵⁷ Submission No. 29, Youth Network of Tasmania.

²⁵⁸ Submission No. 36, TasCOSS.

²⁵⁹ Submission No. 36, TasCOSS.

²⁶⁰ Submission No. 36, TasCOSS.

²⁶¹ Transcript of Evidence, 20 August 2019, p. 2.

- 4.81 The Committee heard there was support for one particular program of supported accommodation that had since been closed. Mr Scott Gadd said of Common Ground:

The best model I have seen for helping the more difficult and complex cases is the Common Ground model where people are encouraged to support and watch over each other with some level of supervision and security, albeit at a distance. Combined with their relevant support services I have personally witnessed the good that this model can do for the most disenfranchised individuals amongst us. It beggars belief that the State has moved away from this ground breaking model. The costs of running it really are insignificant compared to the costs to society of leaving such people to their own devices.²⁶²

Findings

- 4.82 The Committee finds that supportive housing structures are essential for people at risk of homelessness such as young people, including unaccompanied homeless children, as well as those exiting out of home care; people living with disability; and people exiting correctional facilities.
- 4.83 Furthermore, the Committee finds there is general support for programs such as the Education First Youth Foyer model but acknowledges this model will not be suitable for all young people needing secure housing.
- 4.84 The Committee finds that programs supporting individuals to transition from one form of social housing to another and into independent arrangements are lacking.

Recommendations

31. **The Committee recommends that, with the introduction of the Education First Youth Foyer models, the Government ensure there are other supported accommodation facilities that are not contingent on individual performance, such as Trinity Hill or Thyne House.**
32. **The Committee recommends the Tasmanian Government objectively assesses unmet need for social housing and revises targets in the *Affordable Housing Action Plan Stage 2* accordingly.**
33. **The Committee recommends that, in addition to progress against targets, the Tasmanian Government releases financial information relating to**

²⁶² Submission No. 6, Women's Health Tasmania.

social housing, as part of its quarterly housing report to improve transparency.

34. The Committee recommends that the Federal and State Governments invest appropriately in TAFE to ensure Tasmania has qualified tradespeople into the future.
35. The Committee recommends further consultation between Government and industry stakeholders to ensure the supply of apprentices in the building and construction industry meets demand now and into the future.
36. The Committee recommends the Tasmanian Government work with industry and the Department of Education to develop further educational opportunities and pathways for training and careers in building and construction.
37. The Committee recommends that Housing Tasmania and Community Housing Providers examine innovative, low cost construction materials and methods to reduce costs and the demand for labour, in building new social and affordable housing.

Current initiatives and programs

Crisis and emergency housing

- 4.85 The Committee heard there has been additional funding provided to emergency accommodation. Peter White, Housing Tasmania, told the Committee:

We have recently seen a \$5 million investment of additional funding to go into emergency accommodation. As of last week, we have also been able to announce we have purchased the property in Hobart known as the Waratah Hotel. The actions flowing from this investment are being progressed and I certainly would say we are moving to better address that immediate need for emergency accommodation in Tasmania. ²⁶³

- 4.86 The Committee notes this additional funding for emergency accommodation is urgently needed, based on the evidence it received throughout the inquiry. The Committee heard that community based organisations had not been coping

²⁶³ Transcript of Evidence, 13 August 2019, p. 2.

during intensified periods of housing stress and homelessness, and resorted to referring clients to camp grounds such as the Royal Hobart Show Grounds.

4.87 According to Scott Gadd, CEO of the Royal Agricultural Society of Tasmania:

The RAST was overwhelmed by community support during this period. Individuals, community and religious groups all wanted to do something to help. The Showground became a focal point for that need and subsequently we were inundated with offers of support, food, bedding, camping gear, pet food and goods and the list goes on.²⁶⁴

4.88 However, it was apparent that greater government support was still required, because Mr Gadd said:

Again we were ill equipped and resourced to handle it all but we did what we could.²⁶⁵

4.89 The management of charitable organisations working with homeless individuals is also in need of greater support. When discussing a particular incident at the Royal Hobart Showgrounds, Mr Gadd stated there was a lack of communication between organisations:

7... we received a complaint about a gentleman who had been abusive to one of our cleaners. Unbeknown to us he had set up a swag just inside our front gate. Upon investigation we realised he had been booked in on-line by a large and well known charitable organisation without our knowledge. It turned out that we had actually refused that individual due to the complexities of his condition after a phone enquiry from the same agency only to have the case worker then bypass us by booking him in online. He had chronic mental health issues and presented as a danger to others. After a brief discussion with him, again late one evening, I concluded we could not assist him without putting ourselves and others in danger and had to direct him to leave.²⁶⁶

4.90 The Committee heard from Mr Gadd that:

During the year we started to see referrals from the community sector based agencies. We actually became a key part of the solutions being offered by referral agencies without our knowledge. Many workers in this sector were clearly overwhelmed and faced with a distinct lack of options for their clients so they were putting the showgrounds up as an alternative. Some people arrived with tents and bedding supplied by agencies. Some agencies actually utilised our on-line booking system to book people in without our knowledge.

Late one Friday night a couple arrived with a foam hiking mattress each and nothing else. They had been given the mattresses by a not for profit agency

²⁶⁴ Submission No. 1, Royal Agricultural Society of Tasmania.

²⁶⁵ Submission No. 1, Royal Agricultural Society of Tasmania.

²⁶⁶ Submission No. 1, Royal Agricultural Society of Tasmania.

and directed to the showground. They had nothing else. We stayed late that night to secure them bedding, a tent, food and provided them with shower tokens and towels to take a shower.²⁶⁷

4.91 Mr Gadd also commented about another occasion:

During the year the Glenorchy City Council decided to evict a number of homeless people from the former Berriedale Caravan Park site. That site had fallen into disrepair since the Council discontinued the lease with the former operator and had become a base for a number of people including families.

When this happened late one Friday afternoon I received a phone call from the local Inspector at Glenorchy Police. He informed me of what was about to happen and indicated that I would likely be receiving those displaced persons. Needless to say I was unimpressed, particularly at the total lack of communication from Glenorchy Council.

Again I stayed back late that evening to deal with the fallout. 2 groups arrived that night, 1 individual with 3 dogs and 6 puppies, and a group of 3 young men. A strong media contingent was also with them. A family who had also been at Berriedale arrived about 4 days later having been evicted from their short term motel accommodation provided by Housing Connect.

This all occurred during a time when Hobart was experiencing the most atrocious weather conditions. I had no option but open up some sheds that were not fit for habitation and against Council laws, to provide shelter for these people and their animals. With the shelter and level of donations being received this particular group became very comfortable and were subsequently not well motivated to seek better alternatives.

Eventually Housing Connect facilitated an excellent outcome for 2 of this group including the man with all of the dogs. However I understand that only lasted about 6 months as he requested to return to the Showgrounds about 6 months later. I refused the request.²⁶⁸

4.92 Mr Gadd said that, despite the work his organisation was doing to support people experiencing homelessness, there was little support from the Minister:

After receiving a disproportionate level of publicity for our role in this social catastrophe Housing Connect established regular communication with us and had staff regularly visit the park to engage with the homeless people. The Minister also succumbed to media pressure and visited on one occasion, providing 20 minutes notice of his arrival. With the support of Housing Connect we were then able to affect better outcomes for most of the people that were prepared to accept help.²⁶⁹

²⁶⁷ Submission No. 1, Royal Agricultural Society of Tasmania.

²⁶⁸ Submission No.1, Royal Agricultural Society of Tasmania.

²⁶⁹ Submission No. 1, Royal Agricultural Society of Tasmania.

- 4.93 Mr John Stubley, CEO of Hobart City Mission, said that his organisation also received inadequate support and staff were overloaded through their partnership with Housing Connect:

*What we are finding, being a part of the Housing Connect network, we are not able to source houses for the people we are commissioned to find accommodation for. We are using a lot of that brokerage funding to put them in hotel rooms and other temporary accommodation. As we can't find accommodation, we have caseloads that are beyond what I believe are acceptable. There's probably an accepted benchmark of a case load of no more than 15 clients and our staff are running caseloads of more than 30 clients. There are more clients coming through the door but they are not able to assist them into housing.*²⁷⁰

- 4.94 Likewise, according to Gypsy Love, there is a perception in the community that Government spending in recent financial years has been more focused on other matters - including tourism – rather than on housing:

*The government appears to be more interested in tourists to the state than its residents and last year's budget post the housing crisis summit demonstrated this. This has been slightly improved this year but the term bringing forward money from the old plan that was nowhere near sufficient is not good enough.*²⁷¹

Better Housing Futures

- 4.95 Under the Nation Building and Economic Stimulus Plan and National Affordable Housing Agreement, the Better Housing Futures initiative resulted in the transfer of management of up to 35 per cent of public housing stock to the community housing sector by July 2014.²⁷²

- 4.96 According to the Tasmanian Government's 2019-2020 Budget:

*The management of social housing by the community sector results in many positive outcomes including access to Commonwealth Rent Assistance and GST savings which allows for greater investment in maintenance and upgrade of social housing properties. There is also greater flexibility in supporting tenants with special needs, the ability to provide a social mix of tenants and a range of community initiatives.*²⁷³

- 4.97 The Tasmanian Government further advised:

²⁷⁰ Transcript of Evidence, 15 August 2019, p. 14.

²⁷¹ Submission No. 27, Gypsy Love.

²⁷² Jacque Petrusma, Minister for Human Services, Tasmanian State Government, Media Release dated 5 September 2014.

²⁷³ Tasmanian Government Department of Treasury and Finance, State Budget 2019-2020 Budget Paper No.2, Vol.1, Tasmanian State Government p. 28.

Tasmania leads the nation regarding diversity of social housing. In 2017-18, 45 per cent of social housing properties were owned or managed by the community sector. This is higher than the national target of 35 per cent. The management of social housing by the community sector results in positive outcomes including access to Commonwealth Rent Assistance (CRA) and GST savings, which allows for greater investment in the maintenance and the upgrade of social housing properties. Additional benefits include greater flexibility in supporting tenants with special needs, an appropriate mix of tenants, and a greater focus on community engagement and social inclusion initiatives.²⁷⁴

4.98 According to statistics provided in the Tasmanian Government's submission:

In Tasmania, as at 30 June 2018, there were 13,288 social housing dwellings. This includes stock owned and managed by community housing organisations.²⁷⁵

4.99 Peter White, Housing Tasmania, told the Committee:

Our experience of the management transfer, to date, has been very positive. The approach taken with those transfers was what is called a 'place-based approach'. We transferred areas such as Bridgewater, Rocherlea, Shorewell - which had quite high densities of social housing - but the requirements were that the organisations would establish an office in those regions, or those suburbs. They also had to put in place, and work with the community on, master planning for how those suburbs could look into the future. They also had to put in place things like asset plans. As part of this, they have established very close links with Neighbourhood Houses and other community organisations within those regions, and done a range of wonderful things.²⁷⁶

4.100 Alison Standen MP, Chair of the Committee asked Pattie Chugg, CEO of Shelter Tasmania, about her views on the transfer of properties to community providers:

I am interested in your view about the success of that, and whether the balance is about right. Mr White indicated that about 35 per cent stock had been transferred to the community housing providers, and that from his perspective that was working very well, and delivering good outcomes for the sector and for communities. What is your view about that?

Ms CHUGG -We are very supportive of Better Housing Futures. We lobbied when Ms Cassy O'Connor was the minister, and we held different forums. We saw that was a circuit-breaker to a public housing system that was really under complete pressure - not only outstanding public housing debt that takes 50 per cent of their funding every year, but a very highly targeted approach that means currently probably 99 per cent of people who access public housing have some form of higher need. You have this really bad business model basically where you have starved funds coming in so you have to tightly target

²⁷⁴ Submission No. 26, Tasmanian State Government.

²⁷⁵ Submission No. 26, Tasmanian State Government.

²⁷⁶ Transcript of Evidence, 13 August 2019, p. 10.

*the service, which means lots of sole parents, older women, people on the lowest incomes who have a low rent return. They also could not garnish Commonwealth rent assistance or make the most of their GST status where they can get money back. It was a really important circuit breaker and I think Tasmania in some ways leapfrogged over hardly any stock transfer to quite a large proportion of stock transfers. Our model has been quite successful.*²⁷⁷

- 4.101 Ms Chugg also told the Committee, the Better Housing Futures program had been successful and should be considered in future planning. However, Ms Chugg also noted, that property transfers had not yet substantially increased the overall housing stock in Tasmania:

We are supportive of the expansion of the community housing sector. You must remember there has not been a quantum increase of social housing stock because that was a transfer of management, so those 3500 properties that were transferred before were social housing.

*We see it as important that not-for-profit has been one of the success stories. We think not-for-profit community housing and Better Housing Futures should be assessed for its benefits and as to whether it should be expanded, we would look at the evidence around that but if it can help people remain in their homes.*²⁷⁸

- 4.102 Mr Ben Wilson, Director of Housing, CatholicCare and CEO of Centacare Evolve, told the Committee that his organisation relied heavily on the initiative, but there was no funding certainty and that longer term contracts are required, to mitigate the borrower's risk and leverage greater delivery:

CHAIR - To be clear about that, is it fair to say that you have certainty only out to 12 or 18 months, whereas you are really looking for longer-term certainty? What is longer term?

Mr WILSON - I will give you an example of that if you like. A very clear one is Better Housing Futures, which is a 10-year contract. We are leveraging against that contract in relation to being able to facilitate and deliver for better affordable and social housing. We are doing that at great risk to our organisation if that contract management is not renewed. That is the type of longterm strategy we would like to have further discussions with the state Government around understanding the investment we have made over a five-year period, where we want to be in those areas we have been operating in successfully, and the ability for us to understand where our contracts are heading.

Five years sounds like a long period of time, but when you are leveraging against programs that require you to finance for up to 15 to 17 years to repay

²⁷⁷ Transcript of Evidence, 13 August 2019, p. 19.

²⁷⁸ Transcript of Evidence, 13 August 2019, p. 20.

*debt, you require some certainty from Government around the current programs that you operate within.*²⁷⁹

- 4.103 The Committee heard that some housing providers would be interested in increasing the level of stock transfers. The Migrant Resource Centre (MRC) commented:

CHAIR - I think you mentioned 39 occupied properties that you are managing. Would you consider increasing the stock you are currently managing?

*Ms O'NEILL - We have requested the opportunity to increase stock and have also have offered to work with government to identify the data or analytics that could support that positioning. As mentioned, the uniqueness of our situation is we are not in a position to retain stock at cost for which there is no payment point for the client service. In our circumstances, a fixed payment is provided but it is provided for the number of the days the person chooses to stay of the 28 days. A case example of that is if that we were to acquire a private rental to sub-lease to an on-arrival family, we may enter into a lease for, say, 90 days. We would welcome a new community member, place them in that house and, should they make a decision to relocate to another state, which is their right as a free citizen of this country, we would only be paid for the number of days they were here in the state. We would not receive the 28 days, so it is a high-risk environment in which we spend a significant amount of administrative time trying to balance the supply and demand.*²⁸⁰

Commonwealth Rent Assistance

- 4.104 The Committee received evidence about the Commonwealth Rent Assistance (CRA) program which is, “a non-taxable income supplement payable to eligible people who rent in the private rental market or community housing.”²⁸¹
- 4.105 On the adequacy of the CRA, Pattie Chugg, CEO of Shelter Tasmania, told the Committee:

Nationally Shelter advocates for an increase to Commonwealth Rent Assistance, but I also think for that \$125 million coming in, we need to guarantee some security and improve our Residential Tenancy Act and security for people in the private rental market. We have many more people living in the private rental market than we do in our social housing system. That is why we want the balance to change and have a higher proportion of social housing to offset that.

²⁷⁹ Transcript of Evidence, 14 August 2019, p. 78.

²⁸⁰ Transcript of Evidence, 14 August 2019, p. 100.

²⁸¹ Australian Government Department of Social Services, Commonwealth Rent Assistance Webpage, accessed 1 November 2019.

The market trends are the market. We have a market in Tasmania which is increasing significantly and there is no end to that. We have no ability to lever who lives in that private rental market, so no matter what we do with the private rental market, we could still have people on very high incomes in the lowest cost stock remaining there for a long time.

We need to look at an income support system which is very much a Commonwealth issue. Yes, we do need to look at the adequacy of CRA, but at the same time for that money that is outlaid around CRA, we need to put some obligations or conditions around what we are getting for that extreme amount of money that comes in to support the private rental market.²⁸²

4.106 Dr. Jed Donoghue, Housing and Homelessness State Manager, Salvation Army said:

I think the intentions are good but we need to do more. The Commonwealth is investing over \$4 billion per annum in Commonwealth Rent Assistance, which goes to the private sector, and the private sector has failed people on a pension or benefit.²⁸³

4.107 According to Ria Brink from Karinya Services for Young Women, people are currently experiencing housing stress due to the inadequacy of rental assistance from the Federal Government and it is not clear how the *Affordable Housing Action Plan 2* will resolve that:

Rental assistance for youth allowance recipients is inadequate and results that even some transitional housing options costs in excess of 35% of their already very low income. Their capacity for affording food, power and personal necessities is limited. The cost of transport is unaffordable for independent young people which impacts on their ability to engage in education and training or work.²⁸⁴

4.108 According to COTA, the current level of rental assistance is inadequate for older Tasmanians and that current calculations about pensions are based on ownership, and do not reflect that some individuals are reaching retirement with mortgages and other debts:

Age pensions and social supports have been developed based on the assumption of home ownership. We cannot continue to make this assumption going forward. The low level of rental assistance for pensioners, and the fact that such assistance is falling behind the rapidly rising cost of rent exacerbates this problem.²⁸⁵

²⁸² Transcript of Evidence, 13 August 2019, p. 21.

²⁸³ Transcript of Evidence, 13 August 2019, p. 44.

²⁸⁴ Submission No. 23, Karinya Young Women's Service.

²⁸⁵ Submission No. 25, Council of the Ageing.

State Government grants and incentives

- 4.109 Peter McGlone, from the Tasmanian Conservation Trust, argued for the restructuring of available assistance grants in Tasmania:

The government likes grants, but these are just a subsidy to the property and construction industries. The first home owner's grants are open only to those who construct a new home or buy a newly constructed home. If the grants actually helped with getting people into affordable houses then it should be extended to all existing houses.

If you ever wondered why economists say the grants just push up house prices, read the Mercury article 'Couple welcome \$20,000 boost' (11 June 2019). The couple, who were buying their first home, said the \$20,000 grant helped them buy 'nicer finishes' and 'adding an extra bedroom'. Without it they would have just bought a smaller house with a smaller mortgage. The government should scrap this program and direct funds into energy efficiency grants.²⁸⁶

- 4.110 As part of the most recent Housing Action Plan 2019-2023, the Tasmanian Government established the Private Rental Incentives Program which:

...is a head-leasing model with financial incentives that encourages private property owners in Tasmania to make their homes available and affordable for eligible low income earners to rent. It increases choice and access in the private rental market for these households.²⁸⁷

- 4.111 According to the Department of Communities website:

Key features of the Program are:

A single community housing provider (Centacare Evolve Housing Ltd) will deliver tenancy management services statewide.

Lease terms of two years and guaranteed rent to the owner

Rents are capped at between 25 to 30 per cent below median rates

Incentive payment to owners is between \$6 000 and \$ 9 000 per annum

Preference for one and two bedroom properties close to major urban centres.

Under the Program, up to 200 secure and affordable 24 month leases will be made available to eligible low income Tasmanians. 100 leases will be entered into in the first year (2019-20) and a further 100 leases in the third year (2021-2022) of the Program.²⁸⁸

²⁸⁶ Submission No. 37, Tasmanian Conservation Trust.

²⁸⁷ Department of Communities, Fact Sheet – Private Rental Incentives Program Information for Property Owners and Agents.

²⁸⁸ Department of Communities, Fact Sheet – Private Rental Incentives Program Information for Property Owners and Agents.

- 4.112 The Tasmanian Government advised that, under its *Affordable Housing Action Plan 2*, there will also be some rental assistance provided, but it is unclear what form that will take:

The Affordable Housing Action Plan 2 commits to assisting low-income households into secure private rental accommodation at an affordable rent in partnership with community housing providers.

The goal is to establish 200 new tenancies by 30 June 2023 under the Private Rental Incentives Scheme in addition to the 95 households assisted under the Pilot introduced by Action Plan 1.

The Private Rental Incentives Scheme helps eligible low-income Tasmanians access affordable private rental properties. The new Program offers two-year leases at guaranteed, affordable rental prices in convenient locations.²⁸⁹

- 4.113 During the hearing on 13 August 2019, Cassy O'Connor, Committee Member, asked Peter White, Chief Executive of Housing Tasmania:

Given the enormity of the rental price problem, the lowest incomes in the country and rents going up so we are now the least affordable capital, are you confident that the supply program Housing Tasmania has in place will have a quantifiable impact on rent increases, which at the moment are showing an upward trajectory with no sign necessarily of levelling out?

Mr WHITE - I would have to say that what we do is a part of the market and obviously what we are doing won't have a significant impact on the price of private rentals in the marketplace. We have intervened with things like the Private Rental Incentive Scheme which has offered opportunities for landlords to make properties available at a very affordable rental for clients and we have had a successful program there under Action Plan 1 and then moving into Action Plan 2. When you look at the private rental market, it is essentially four-and-a-half times the size of the social housing market. So when we are talking about our new supply and certainly the targets of 1000-odd properties over both action plans around social housing, you are talking around 2 per cent of the private rental market.²⁹⁰

- 4.114 Professor Richard Eccleston, Director of the Institute for the Study of Social Change, said the private rental incentive scheme was having limited impact:

Many landlords are doing the right thing and the Government has the landlord assistance scheme which is assisting 200 or 300 households. That is an important initiative, but it is only a small part of the equation.²⁹¹

- 4.115 Peter McGlone from the Tasmanian Conservation Trust, also criticised the incentive scheme:

²⁸⁹ Submission No. 26, Tasmanian State Government.

²⁹⁰ Transcript of Evidence, 13 August 2019, p. 11-12.

²⁹¹ Transcript of Evidence, 4 September 2019, p. 5.

*Last year the government came up with a highly ineffective incentive scheme as a reflex reaction to criticism at the time. This is what comes from a lack of strategic planning.*²⁹²

National Rental Affordability Scheme

- 4.116 John Stubley, CEO of the Hobart City Mission, told the Committee the National Rental Affordability Scheme (NRAS) had helped increase the construction of social housing:

Ms BUTLER - Do you have any practical ideas on incentives that could be offered to the private sector; that is, developers that would provide an environment within their area for them to look at starting to build affordable housing in inclusionary zones in a way which could meet the demand?

Mr STUBLEY - The National Rental Affordability Scheme had a chequered start 10 or so years ago when it was first introduced. Developers jumped in to secure allotments in the bidding process in the early days. When they had secured the allotments, they then looked to whether they could undertake the developments or not. Many walked away. There were probably four rounds of NRAS. I think by round four, it was starting to find its feet. It was largely the domain of the community housing providers more than the commercial business development world.

*NRAS gives you a better bang for your buck. From the conversations I have had, I think the same dollars applied to an NRAS subsidy will give you 10 times the number of houses that the pure cost of building will give you because you are activating the private investor market to undertake building development*²⁹³.

Other initiatives

- 4.117 The Committee received limited evidence about the Hobart City Deal, although it is aware, “the Australian Government is providing \$30 million for local organisations to boost the supply of social and affordable housing in Greater Hobart.”²⁹⁴ The City Deal includes the delivery of more than 100 new social housing dwellings.

- 4.118 Mr McGlone told the Committee there was insufficient support for residents in Tasmania endeavouring to make their homes more liveable:

²⁹² Submission No. 37, Tasmania Conservation Trust.

²⁹³ Transcript of Evidence, 15 August 2019, p. 20.

²⁹⁴ Australian Government Department of Social Services (2019), ‘Hobart City Deal’ webpage

There are ... no grants to assistance people to make their homes more liveable and affordable by draught proofing, insulation and double glazing and carbon friendly heating – as has been done in New Zealand. The Tasmanian government offers interest free loans but this will largely benefit the well off who can repay the loan. We can find no public reporting on the take-up of this scheme, the benefits for home owners and impact on energy use and carbon emissions.²⁹⁵

Findings

- 4.119 The Committee notes that, while it welcomes the additional funding for emergency accommodation, it heard of several instances where people experiencing housing stress and homelessness had not received adequate or timely support.
- 4.120 The Committee notes that the Tasmanian Government has transferred the management of social housing to a number of Community Housing Providers and accordingly, must ensure those providers are supported to fulfil their responsibilities.
- 4.121 The Committee finds that recent investments in crisis accommodation serve an important purpose; however, it has not yet met immediate need.
- 4.122 The Committee finds there is broad support for the role of community providers in managing social housing in Tasmania, and that the transfer of housing stock has led to positive outcomes for communities involved.
- 4.123 The Committee finds that while community providers have taken over the management of some housing stock, there has not yet been a substantial increase in housing stock and that additional housing stock is still required.
- 4.124 The Committee finds that, for low income earners in the private rental market, rental affordability has decreased significantly due to Federal Government Income Support payments remaining static and the CRA being capped in a tight rental market.
- 4.125 The Committee finds that the CRA is inadequate for anyone receiving welfare benefits accessing the private rental market.
- 4.126 In the absence of any substantial evidence, the Committee finds that there is currently a lack of clarity about the effectiveness of State grants and incentives designed to alleviate housing stress and homelessness.

²⁹⁵ Submission No. 37, Tasmanian Conservation Trust.

- 4.127 The Committee finds there is limited information available on the outcomes of the Private Rental Incentive Program and whether it is achieving its objectives.
- 4.128 The Committee finds that NRAS was successful in incentivising private developers to invest in increasing affordable housing supply.
- 4.129 The Committee finds there has been no alternative Federal Government program to replace NRAS once it ended.
- 4.130 The Committee also finds on the evidence received that there is limited financial support available in Tasmania to make houses more liveable.

Recommendations

38. The Committee recommends that the Tasmanian Government table the budget and actual expenditure of the additional \$5M emergency package, detailing what outcomes have been achieved, and what outcomes are expected in the future.
39. The Committee recommends that the Tasmanian Government as a priority ensure BHF's funding agreements are continued and based on 15-year agreements.
40. The Committee recommends the Tasmanian Government review its contractual arrangements with Community Housing Providers. The Government should continue to work closely with CHPs to increase overall housing supply and to reduce maintenance liability.
41. The Committee recommends that the Tasmanian Government request that the level of income support payments and the CRA be an agenda item for the next COAG meeting.
42. The Committee recommends the Tasmanian Government provide a detailed evaluation of the outcomes of the Private Rental Incentive Program, including the experiences of tenants.
43. The Committee recommends the Tasmanian Government provide more detailed reporting on the outcomes of Government grants and rental

incentive schemes, in its quarterly report on the *Affordable Housing Action Plan Stage 2*.

- 44. The Committee recommends that Housing Tasmania more actively promote grant and incentive schemes that have been proven effective in addressing housing affordability and availability.
- 45. The Committee recommends the Tasmanian Government investigates the possibility of more widely available home modification grants in order to keep people with mobility issues in their homes for longer, easing pressure on housing supply and supported accommodation.
- 46. The Committee recommends that the Tasmanian Government advocate for fair and fast-tracked access to finance through the National Housing Finance and Investment Corporation to boost new affordable housing supply.
- 47. The Committee recommends the Tasmanian Government investigate further incentives and financial support to improve housing liveability.

Need for a task force

4.131 The Committee received evidence to suggest that, before appropriate strategies to deal with poor housing affordability could be implemented, some fundamental research and understanding of existing issues was required. A number of witnesses suggested a solution to this could be the establishment of a sub-committee of Cabinet or a specialised task force.

4.132 Dr. Julia Verdouw, Research Fellow, Housing and Community Research Unit at the School of Social Science, UTAS, said:

... we would argue the importance of deepening our understanding of the Tasmanian housing market, including its supply and demand drivers, in a comprehensive way and the role of short-stay accommodation through establishing a housing supply and demand analysis task force. We need to stop reacting to what we are finding out in the data and instead proactively respond to what we can project - based on informed evidence - what is going to shape our housing needs into the coming years.²⁹⁶

4.133 Kym Goodes, from TasCOSS, presented a similar proposal to the Committee:

²⁹⁶ Transcript of Evidence, 15 August 2019, p. 93.

Based on the unprecedented nature of the current housing market in Tasmania and the relatively rapid pace at which the market changed, we do not think it is time for business as usual. Therefore, in addition to responding to the terms of reference, we would like to put to the committee some overarching questions we think need to be considered, including what is the current and projected need for social, affordable and private housing over the next decade in Tasmania? What governance and institutional structures and systems do we need to ensure we can meet this demand in the next 10 to 20 years? What are the legislative policy and regulatory settings needed to meet that demand and ensure the system can deliver what the housing needs in Tasmania are? How can we ensure an overarching governance model that can monitor and assess all factors that influence housing supply, not just in the social housing space but more broadly, as well as demand?

The establishment of a strategic growth subcommittee of Cabinet we think is an important step and is well placed to potentially answer some of these higher-level systems and structural questions. TasCOSS has worked closely and argued strongly for inclusive growth strategy and focus from the state Government as we experience this unprecedented growth. As we consistently measure up well with national rankings economically, now is the time to turn our focus to ensure that the growth is sustainable beyond the traditional cycles we have seen previously, and we want to explore how we meet what we would call the intersection between economic and social policy. Access to affordable housing is the number one measure of the human experience of economic growth in Tasmania, and at the moment this is a measure on which we are currently failing.²⁹⁷

Findings

- 4.134 The Committee finds there is a need for the establishment of a housing supply and demand analysis taskforce, which includes representatives from Tasmanian Government agencies, UTAS, industry and community sector peak bodies, as well as service providers.
- 4.135 The Committee finds there is a need for further research and analysis of Tasmania's housing situation, in order to develop a better understanding of these issues from a strategic planning perspective.

Recommendations

- 48. The Committee recommends a housing supply and demand analysis taskforce be established as a matter of priority.**

²⁹⁷ Transcript of Evidence, 13 August 2019, p.90

49. The Committee recommends this taskforce advise the Tasmanian Government on affordable housing supply and demand issues that will inform the development of evidence-based future affordable housing plans and strategies.

5 REGULATORY AND LEGISLATIVE MATTERS

- 5.1 This Chapter considers regulation of the private rental market and related matters.

Renting in Tasmania

- 5.2 While Tasmania has the highest per capita home ownership of Australian states²⁹⁸ there are still a significant number (around 1 in 4) of Tasmanians in social housing or private rental properties. Shelter Tasmania noted that many of these households were experiencing acute rental stress and insecurity of tenure:

The majority of low income Tasmanians live in private rental properties. About 27% of Tasmanian households, almost 40,000 households are renters. About 8,000 Tasmanian households were experiencing rental stress in 2016, and the figure would certainly be higher now.

.....
CoreLogic reports that rents in Hobart have increased by 45.7% over the last 10 years, far outstripping people's incomes and ability to pay. Hobart's median rent is at \$457, only one dollar cheaper than renting in Melbourne. This cost is way beyond the reach of many low and middle income Tasmanians. We are paying rents in the private market unheard of just a few years ago. More and more Tasmanians are living in housing poverty.²⁹⁹

- 5.3 The Tenants' Union of Tasmania also commented about the rising number of households that now rent, despite Tasmania's higher home ownership levels:

According to the Australian Bureau of Statistics, there are a growing number of households renting, rising from 25.7 per cent of the Australian population in 1994-95 to 30 per cent in 2015-16. Whilst Tasmania has historically had a high rate of home ownership, there has been a similar upwards trajectory in households renting, particularly over the last decade.

In raw numbers, the Productivity Commission Report on Government Services 2019 found that over the last decade the number of households renting in Tasmania has increased by 18 per cent from 45,600 in 2006 to over 54,000 in 2016. In the period 2008-18 public housing stock dropped from 11,618 to

²⁹⁸ Submission No. 4, Real Estate Institute of Tasmania.

²⁹⁹ Submission No. 33, Shelter Tasmania.

7,005.³⁰⁰ While that has been offset by the growth of the community housing sector, resulting in a net increase of social housing stock, it has not been proportionate to the growth of the rental market overall.³⁰¹

- 5.4 Many submissions commented on the increasing periods of time in which people are finding themselves renting, with Pattie Chugg, CEO of Shelter Tasmania, commenting:

*Renting privately is no longer a short-term option for many people. Over 40 per cent of people in the private rental market are now there for longer than 10 years. People need greater security and tenure, better-quality homes, and appropriate homes that meet their needs, including place-based disadvantage. We need personal approaches. All Tasmanians need a home that is affordable, appropriate and safe, and they need a service system that meet their needs.*³⁰²

- 5.5 The Committee heard that not only were people renting for longer, the rental increases they are experiencing are getting greater. Meredith Barton, Principal Solicitor, of the Tenants Union of Tasmania commented:

*I have been there for 13 years and initially you were looking at \$10 to \$20 rent increases. Sometimes you could argue that the \$20 rent increase was probably going to be seen to be unreasonable. Now it would be common for us to say with a \$50 rent increase they will not have the luxury of being able to dispute it because it will be deemed on the market. We provide information based on realestate.com.au and see what the current values are. If it is in that similar area and similar property type we can tell them roughly what the market is. If, for example, it has been a little while since there has been a rent increase, or currently, even if it has been 12 months, quite often a \$50 rent increase or more will not be higher than the market stands in that area. What we are seeing as the problem is that now your basic market has increased so much that your \$50, \$80 to \$100 unit increases severely affect a person's or family's ability to stay in that property. However, if they can't afford it and they look elsewhere, that is the market. They won't take that to the Residential Tenancy Commissioner, where we dispute rent increases, for fear their fixed-term lease will be ended due to the end of the lease and they will have no option but to find somewhere in the market that is probably going to cost them the same, if not more. With our legislation, because it is a tenant obligation, the fear of retribution in regards to losing the tenancy is too great.*³⁰³

³⁰⁰ Productivity Commission, *Report on Government Services 2019, Table 18A.3*, cited in Submission No. 8, Tenants' Union of Tasmania.

³⁰¹ Submission No. 8, Tenants' Union of Tasmania.

³⁰² Transcript of Evidence, 13 August 2019, p. 17.

³⁰³ Transcript of Evidence, 14 August 2019, pp. 30-31.

Findings

- 5.6 The Committee finds that people are renting for longer periods of time and are faced with increasing rents. This has made private rentals unaffordable for many Tasmanians.
- 5.7 The Committee finds the private rental market in Tasmania has become highly competitive. This has resulted in an imbalance in the bargaining power between landlords and tenants, which requires greater protection for tenants.

The need for improved residential tenancy laws

- 5.8 The Committee heard that, given people are renting for increased periods of time, there is a need for improved residential tenancy laws to protect them. Shelter Tasmania commented:

As people spend more time as renters, we need to ensure that residential tenancy laws are well designed and responsive to consumer needs. Renting in the private rental market is no longer just a short term option. More than 40% of Tasmanian renters spend over 10 years in the rental market.³⁰⁴

- 5.9 Shelter Tasmania further commented:

We need to emphasise the need for Tasmania to modernize and strengthen the Residential Tenancy Act 1997 to achieve best practice on matters such as energy efficiency, fairness with respect to rent increases and security of tenancy, digital rights and protections, health and safety and pets. Stronger tenancy protections are particularly important when the private rental market is so competitive.³⁰⁵

- 5.10 In evidence before the Committee, Pattie Chugg, CEO of Shelter Tasmania, commented:

We need to guarantee some security and improve our Residential Tenancy Act and security for people in the private rental market. We have many more people living in the private rental market than we do in our social housing system.³⁰⁶

- 5.11 A number of other organisations also considered there is a need for changes to, or a review of, the *Residential Tenancy Act 1997*, which could improve housing affordability, security and living standards in Tasmania. Colony 47 commented:

³⁰⁴ Choice, NATO and National Shelter, *Disrupted: the consumer experience of renting in Australia 2018*, as cited in Submission No. 33, Shelter Tasmania.

³⁰⁵ Submission No. 33, Shelter Tasmania.

³⁰⁶ Transcript of Evidence, 13 August 2019.

With these market forces providing less security and affordability for renters on low incomes to maintain private rental accommodation there is a need for a review by the Tasmanian Government of the impact of these changes on the relationship between landlords and renters and whether there is a need for legislative or regulatory action to ensure a sustainable private rental market operates in the state.

.....
The Tasmanian Government to conduct a formal review of the Residential Tenancy Act to ensure that the legislation is capable of protecting the affordability, safety, and living standards of clients in a changing housing market.³⁰⁷

- 5.12 Similarly, TasCOSS considered the *Residential Tenancy Act 1997* required a review, with the changing market leading to power imbalances between tenants and property owners:

Over the last five years there has been major changes in the rental market. The tight rental market has resulted in a growing imbalance of bargaining power between landlord and tenant. A recent Choice report found that approximately half of all tenants worry they will be blacklisted from future tenancies and 14 percent refuse to stand up for their rights because of the possibility of landlord retaliation.

TasCOSS therefore believes that Tasmania's Residential Tenancy Act 1997 requires a comprehensive review to ensure the rights of tenants are protected in this new rental environment and the Tasmanian Act better reflects best practice as seen in other states and territories. Areas recommended for review include: security of tenure, rent controls, specific needs relating to family violence survivors, standard forms and lease agreements, pets, potential support for tenancy advocacy services and energy efficiency standards for rental properties.³⁰⁸

- 5.13 This view was reiterated to the Committee by Kym Goodes, CEO of TasCOSS, who commented:

..that's why in our submission, what we said is we absolutely agree that it's a shift in the power balance between landlords and tenants that we haven't seen before, at a level that we think we need to review the tenancy act in its entirety. So undertaking a comprehensive review, but not just of that - of the whole system.

That is why we keep saying, we are lifting it back up to here to say, we currently have a system within government - within the political and bureaucratic arm of government, through to the legislation that regulates and controls this system - that we don't think is necessarily fit for purpose anymore, because the world around us has changed so dramatically.³⁰⁹

³⁰⁷ Submission No. 31, Colony 47.

³⁰⁸ Submission No. 36, TasCOSS.

³⁰⁹ Transcript of Evidence, 13 August 2019, p. 92.

- 5.14 Meredith Barton, Principal Solicitor of the Tenants' Union of Tasmania, also considered the *Residential Tenancy Act 1997* was in need of review:

It has been more than five years since the last significant amendments to the Residential Tenancy Act 1997. With other Australian jurisdictions having passed significant tenancy reforms over the last couple of years, we strongly recommend that the Tasmanian Parliament prioritise the following reforms which will better protect tenants' rights and ensure access to quality, stable and affordable housing for all.³¹⁰

- 5.15 Alex Bomford, Solicitor from the Tenants' Union of Tasmania, considered that, while improvements to the *Residential Tenancy Act 1997* could improve housing affordability to a certain extent, there are broader issues to be considered:

I suppose it is difficult for us to look at this holistically because we only have a very narrow area that we focus on, which is the Residential Tenancy Act and surrounds. Obviously, the housing crisis can't be solved by tinkering with the Residential Tenancy Act and we're under no illusion that that is the case. We think it is still important that housing affordability can be tackled through the tenancy act to a certain extent, as can security of tenure be increased, and we don't see that those two issues can be separated because one feeds back into the other. We think there needs to be a general attitudinal change to how tenancies are looked at.³¹¹

- 5.16 The following sections consider the evidence provided to the Committee about ways in which the *Residential Tenancy Act 1997* could be amended to improve housing affordability, security, and living standards in Tasmania.

Secure tenure

- 5.17 The Committee heard that a move away from short-term leases is needed. The Salvation Army of Tasmania commented:

Longer private rental lease agreements would provide all tenants with greater security and certainty. If people want to establish themselves in a specific location, a long-term lease is ideal. Three to five year leases allow for long-term financial planning that's not available under a short-term 12 month lease. You may also find landlords offering long-term leases are more willing to compromise on other lease terms, such as opportunities to improve or modify space.³¹²

- 5.18 Shelter Tasmania also commented that there was:

³¹⁰ Submission No. 8, Tenants' Union of Tasmania.

³¹¹ Transcript of Evidence, 14 August 2019, p. 29.

³¹² Submission No. 18, the Salvation Army of Tasmania.

*The need for longer leases that reflect the longer periods that people are spending in the private rental market.*³¹³

5.19 The Tenants' Union of Tasmania also argued for secure tenure, commenting:

Tenants should be able to maintain their tenure unless they have seriously breached their residential tenancy agreement, or the landlord requires, and proves, that they need to change the use of the property (and provide lengthy notice and compensation). We therefore recommend the repeal of the sections of the Act that permit fixed term tenancies.

*If fixed terms are abolished, tenants will no longer have to rely on being offered a renewal or extension, or moderate or suppress any complaints against their landlords in order to secure a renewal or extension, or take the risk challenging an end of lease notice to vacate because it is not genuine or just. Intuitively this should result in the average length of a lease increasing, and housing stress decreasing.*³¹⁴

5.20 The need for greater security of tenure, was echoed in a number of other submissions. Gypsy Love stated:

*More public housing must be created and for those living in private rentals, landlords should be encouraged to offer leases of two to five years instead of six to twelve months.*³¹⁵

5.21 The Committee heard from Sue Leitch, CEO from the Council of the Ageing Tasmania (COTA), who commented:

*We would welcome improvements to the Residential Tenancy Act. Security of tenure is a particular area of concern and we have written about that on a number of budget submissions over previous years. It has been a consistent area that we have been talking about.*³¹⁶

5.22 Dr. Jed, Donoghue, Housing and Homelessness State Manager, The Salvation Army considered that Tasmania had led the way with *Residential Tenancy Act 1997* reforms for minimum standards and that this progressive leadership should also be shown with longer lease provisions enacted:

We have made some real progress with the reform of the Residential Tenancy Act. We have legislation that was leading the country, in terms of minimum standards. I think that we have the potential, we have the track record, of showing the rest of the country how we can introduce progressive legislation which is beneficial to all the community; longer leases, as they have in Europe. The irony is that in Holland and Germany where they had five-year leases, for

³¹³ Submission No. 33, Shelter Tasmania.

³¹⁴ Submission No. 8, Tenants' Union of Tasmania.

³¹⁵ Submission No. 27, Gypsy Love.

³¹⁶ Transcript of Evidence, 14 August 2019, p. 115.

example, they are reducing them, because they are looking at the Anglo-Saxon method of having 12-month leases, so while we look at them, they look at us.

In Europe and many countries, people rent, and they rent because it is safe, secure and stable, and it is long term. If we were providing two- or three-year leases, instead of 12-month, that allows people to put down roots, to engage with the community, and get their kids to school; education is the key for all of us if we want to change our situation. So it is a beneficial thing. It doesn't mean that property cannot be inspected on a 12-month basis. You have to inspect in order improve and to maintain the asset.³¹⁷

- 5.23 James Toomey, CEO of Mission Australia, suggested longer leases were beneficial for the tenant in terms of budgeting, commenting:

In terms of other protections for tenants, longer-term tenancies where rent increases were actually part of the longer-term tenancy arrangement - so you knew at the outset of your tenancy arrangement you were going to get a two-year, five-year or a 10-year tenancy. You also knew during the lifetime of that tenancy what those rent increases were going to be, which is very similar to the circumstances of homeowners who take out mortgages and fix their mortgage rate - they know what their repayments are going to be.

That degree of predictability enables people to budget properly. It enables people to have much greater control over the expenses and their outgoings and much less likely to find themselves coming to the end of the tenancy, or during the period of the tenancy, suddenly finding rent increased and then being tipped out into homelessness because they can't pay the rent.³¹⁸

Pet ownership and renting

- 5.24 The difficulty faced by pet owners in the private rental market was also raised with the Committee. Many Tasmanians own a pet but this can often create difficulties in finding a rental home, as many property owners do not allow pets. The Tenants' Union of Tasmania suggested an adjustment to the rules around pets in rental properties would be beneficial:

Allow pets unless landlord has a good reason for their exclusion; and include 'assistance animal' in list of exceptions....many tenants with pets are forced to look for rental accommodation in areas less accessible by public transport or to surrender their pet, with the RSPCA recently reporting that 15 per cent of all cats and dogs surrendered to them were as a result of their owners moving and being unable to take their pets with them.³¹⁹

³¹⁷ Transcript of Evidence, 13 August 2019, p. 50.

³¹⁸ Transcript of Evidence, 15 August 2019, p. 65.

³¹⁹ Submission No. 8, Tenants' Union of Tasmania.

- 5.25 Mr Scott Gadd pointed out that a number of people he saw at the showgrounds had become homeless due to not being able to house their pets. In listing common factors of the reasons people were finding themselves homeless and coming to the showground, one was:

*People with pets who could not bear to leave their pets. A common factor was large dog breeds associated with dangerous dogs such as bull mastiffs, Staffordshire crosses and pit bulls. In every case we found the dogs to be completely manageable and safe.*³²⁰

- 5.26 Dr. Cynthia Townley, Policy Officer, Shelter Tasmania, also mentioned the need to “look at the best practice on things like pets.”³²¹

Standardised applications and agreements

- 5.27 The Committee also heard there is a need to look at the use of standardised leases and application forms to better protect tenants’ privacy. The Tenants’ Union of Tasmania commented:

The lack of standardisation means that many tenants believe that they are forced to comply to clauses that are unlawful under the Act.... Our investigation found that there is information requested of prospective tenants in some application forms that may be unlawful.

.....
*The tenant must provide the information required or face the very real risk that the application will be rejected in favour of someone who is prepared to provide that information.*³²²

- 5.28 Dr. Townley, also raised concerns over the collection of tenants’ information and privacy:

*It’s also about the way landlords are going to use collection of information and the protection of information around tenants and the applications people make when they’re moving into properties. Are there the right privacy protections around that? Are there the right responsibilities for looking after data? These days there are significant rental applications which ask for an enormous amount of personal information, so is that protected appropriately? At the moment a lot of it is still done in handwritten copies and in some ways that is a safer document, but as soon as it is done electronically, are people protected around that? There is a bunch of issues around privacy rights and protection of data that I’m not sure we have quite got covered in the RTA just yet.*³²³

³²⁰ Submission No. 1, Royal Agricultural Society of Tasmania.

³²¹ Transcript of Evidence, 13 August 2019, p. 27.

³²² Submission No. 8, Tenants’ Union of Tasmania.

³²³ Transcript of Evidence, 13 August 2019, p. 27.

- 5.29 Concerns were also raised about the need for standardisation for issues such as bond deposits. Pattie Chugg, CEO, Shelter Tasmania, commented:

*... standard leases, standard agreements. We know there are still private landlords out there who are not depositing their bond. You can do a quick audit now of how many bonds are in at the Rental Bond Authority and how many are actually there for the 9000 private rental properties. The standardisation and clearness around them is really important.*³²⁴

Minimum standards

- 5.30 Another issue of concern with the *Residential Tenancy Act 1997* related to the minimum standards set out in the legislation. The Committee heard there were not enough protections in place in regards to the minimum conditions of properties.
- 5.31 The *Residential Tenancy Act 1997* currently contains a substantial number of required minimum standards in rental properties³²⁵ but enforcement of these standards is lacking.
- 5.32 Some of the minimum standards are also not required to apply to social housing and a number of submissions and witnesses felt there are insufficient mandatory requirements around energy efficiency.
- 5.33 In relation to a lack of enforcement of the minimum standards, the Committee heard that tenants are often afraid to ask for repairs for fear of eviction. Colony 47 commented:

*Young people often also report that they do not feel that they have the power or respect to request that landlords meet maintenance or related commitments.*³²⁶

- 5.34 Shelter Tasmania commented:

*The recent report Disrupted: the consumer experience of renting in Australia, reveals that despite paying thousands of dollars each year, tenants face unsatisfactory condition and are often too afraid to complain. In this context it is crucial to maintain a well-functioning system that protects both tenants and landlords, and enables people who rent their homes to flourish.*³²⁷

³²⁴ Transcript of Evidence, 13 August 2019, p. 27.

³²⁵ 1997 (TAS) Part 3B.

³²⁶ Submission No. 31, Colony 47.

³²⁷ Submission No. 31, Shelter Tasmania.

5.35 Anglicare made similar comments:

Anglicare assists many people who are living in sub-standard housing. In some cases this is in breach of the minimum standards required under the Residential Tenancy Act 1997 (RTA), but some people decide to remain in these circumstances because of poverty and lack of alternatives.³²⁸

5.36 COTA Tasmania also raised similar concerns:

Tenancy insecurity forces many people to accept living in poor quality housing. Most tenants (62%) are afraid to ask for repairs, modifications to improve accessibility or complain about the poor condition of their home, for fear of eviction. This fear is heightened in markets like Hobart and Launceston where rental housing is in such short supply.³²⁹

5.37 The Tenants' Union of Tasmania also touched on the fact that many tenants are accepting of poor housing standards or will not pursue maintenance issues for fear of eviction:

In 2017 Choice Magazine, National Shelter, and the National Association of Tenant Organisations released a major report on renting in Australia, which found; Three quarters of tenants believing that competition for properties is fierce. As a result, prospective tenants do not feel like they can ask for changes and need to simply take what is on offer (62 per cent), and worry that they will need to offer more money if they want to secure a place to live (55 per cent).

11 per cent of tenants were notified of a rent increase after requesting a repair and 10 per cent said that their landlord or agent became angry after they requested a repair. Some tenants have even faced eviction for making a complaint (2 per cent), requesting a repair (2 per cent) or for taking their complaint to a third party like a tribunal or a tenants' rights organisation (2 per cent).³³⁰

5.38 The Tenants' Union pointed to issues with the enforcement of minimum standards. Meredith Barton, Principal Solicitor, commented:

...the enforcement of minimum standards relies on the tenant taking action. It is not like the Residential Tenancy Commissioner inspects properties randomly to make sure they comply. The tenant has to contact the Commissioner themselves to make the complaint. I suggest the institutional agents probably make a judgement that only a small percentage of people are going to complain, so they will maybe not get it up to standard, especially in regards to things like cleanliness.³³¹

³²⁸ Submission No. 19, Anglicare.

³²⁹ Submission No. 25, Council of the Aging.

³³⁰ Submission No. 8, Tenants' Union of Tasmania.

³³¹ Transcript of Evidence, 14 August, 2019, pp. 33-34.

- 5.39 The Committee asked a number of witnesses whether they thought an independent body was required to enforce the minimum standards required under the *Residential Tenancy Act 1997*. Holly Ewin said:

Certainly, there needs to be more done in terms of making sure minimum standards are met. There are so many people who can feel the wind coming through the windows, they have mould in their rooms. They are getting sick because the houses they are living in are making them sick. The ovens do not work properly and they cannot properly cook food.³³²

- 5.40 Dr. Townley, Shelter Tasmania, proposed a third-party monitoring system to improve compliance:

Ms BUTLER - You mentioned in your report that some of the tenants are afraid that their rent may increase, or they may be compromised if they make those complaints, if they jump up and down and become a problem tenant of sorts. Would giving protections to tenants around that process be a positive step?

DR TOWNLEY - Yes, of course protections for tenants are positive. What you need is a third-party monitoring system....

..Or you might do a system of spot checks – a system whereby a proportion of rental properties are checked by a third party every so often, so there is an incentive to be compliant because there is a risk that things will happen if you are not.

That takes the onus away from tenants and it gives you a systematic approach that says we don't think it is okay for anyone to be living in standards that aren't consistent with the legislation and the Act. So how do we make that happen? The simplest way is to put in some monitoring and enforcement around it. You wouldn't have to do 100 per cent. If you know there is a 10 per cent risk that is enough to keep people compliant.³³³

- 5.41 Dr. Jed Donoghue, the Salvation Army, also considered that the minimum standards need to be enforced:

Ms BUTLER - We also heard this morning about how Tasmania and South Australia have quite robust requirements in the private rental sector, i.e. for conditions of properties, but there is a problem with compliance and checking up on whether those rentals are up to a certain standard. Do you find that, in your experience, this has been an issue? Would you potentially support an independent body of sorts, which kept an eye on or monitored that, but which was separate to, say, the Tenants' Union? An independent body that did regular checks and liaised with renters and landlords?

Dr DONOGHUE - Nobody wants to see rental properties coming out of the market, but we do want to see a minimum standard, and the minimum standards being regulated. So, it is a carrot and a stick - you want people to be encouraged to maintain their asset, and provide a good property that can be

³³² Transcript of Evidence, 15 August 2019, p. 27.

³³³ Transcript of Evidence, 13 August 2019, p. 26.

*rented at a minimum standard. The legislation is there. We should enforce it. I do not want to make it sound too strong, but perhaps it is a role for the Tenants' Union. It is about encouraging people to do the right thing. They might feel good if they did the right thing.*³³⁴

5.42 The Tenants' Union of Tasmania noted that the Residential Tenancy Commissioner had power to deal with compliance but was underfunded:

MS BUTLER – Do you feel there could be an independent body that would take pressure off the Tenant's Union insofar as advocacy, but also regular compliance checks to ensure those minimum standards are being adhered to? Would that potentially be a good tool?

*MR BOMFORD – I think the Residential Tenancy Commissioner already has the power to do something like that, it is just they are incredibly underfunded. They have to do every bond, every repair order. Technically they can fine landlords for breaches, but I think they are only two or three people in the office and they are not full time. They do not have the capacity to actually perform their function.*³³⁵

5.43 Many witnesses commented on the need for more standards around heating efficiency with Anglicare noting the costs of tenants not having an energy efficient home:

We also assist clients in housing that meet the RTA requirements but provide an unhealthy home. For example, many houses have no or insufficient insulation so that rooms are mouldy and wet in the colder months, which affects the household's health. Winter heat loss through uninsulated walls, ceilings and floors represent between 50% and 80% of all heat loss from a home (Mosher & McGee 2013).

*The RTA does not require Housing Tasmania or Community Housing properties to be fitted with curtains in bedrooms and living areas and has no mention of the insulative properties of window coverings in privately rented properties. Between 10% and 20% of winter heat loss escapes through unprotected windows (Mosher & McGee 2013). The current Act also does not require fixed heating to be energy efficient. These factors combined often leave households struggling to pay power costs or choosing not to heat their homes.*³³⁶

5.44 Anglicare also commented:

Some cheaper rental housing in Tasmania is of poor quality – with little or no insulation, no fixed heating, inadequate or malfunctioning hot water heaters and other fixed appliances, and draughts. Such features add to the cost of living in a property and householders must find additional money for heating, increased electricity costs, draught stoppers and so on. What may be saved on

³³⁴ Transcript of Evidence, 13 August 2019, p. 50.

³³⁵ Transcript of Evidence, 14 August 2019, p. 34.

³³⁶ Submission No. 19, Anglicare.

low rental of a poor quality property may be lost with the extra costs required to make a property comfortable.³³⁷

- 5.45 Anglicare considered that government assistance should be provided to those who have entered into energy hardship programs to assist with improving energy efficiency in homes:

The condition of housing and energy efficiency required under the Residential Tenancy Act has direct consequences on a household's health and wellbeing and living standards and therefore Anglicare calls for funding to be provided for energy efficiency improvements for households who have entered an energy hardship program, with an expansion of this approach over time.³³⁸

- 5.46 Anglicare also considered that reforms to the *Residential Tenancy Act 1997* are required to incentivise property owners to make their rental properties more energy efficient:

Requirements for insulation (in walls, floors and ceilings; retrofitting window double-glazing or provision of thermal curtains) and for efficient heating could be made through amendments to the RTA or through the government providing targeted incentives to property owners that provide affordable housing. The effects of different interventions on households in Tasmania was analysed in 2016 (Sustainable Living Tasmania & University of Tasmania 2016) and we ask the Committee to consider proposing interventions that will improve living standards.³³⁹

- 5.47 The need for heating standards was echoed by the Housing with Dignity Reference Group who, in their submission, called for 'Minimum standards around energy efficiency of rental houses (to save on costs for tenants).'³⁴⁰

- 5.48 The Tenants' Union of Tasmania also made a comment on heating standards, with Ms Barton, noting:

We also see a lot of poor quality heating, which is technically within the standards, but not really within the spirit of the law. Currently, within minimum standards for heating, you could buy a cheap \$20 wall heater from Kmart, strap it to the wall, connect it to the power and it would be compliant, even though it is really inefficient heating, is expensive and not going to prevent mould or any other issues like that. But there's not really anything the tenant can do about that.³⁴¹

³³⁷ Submission No. 19, Anglicare.

³³⁸ Submission No. 19, Anglicare.

³³⁹ Submission No. 19, Anglicare.

³⁴⁰ Housing with Dignity Reference Group supplementary material, tabled on 14 August 2019

³⁴¹ Transcript of Evidence, 14 August 2019, p. 34.

- 5.49 Another issue of concern raised regarding minimum standards is that social housing properties are not required by the Act to adhere to all minimum standards. Ms Chugg, Shelter Tasmania, commented:

There are exemptions for curtains for the social housing providers, which has been frustrating because people need curtains in their properties. I know constituents have come to you around this issue around where contractors go in, strip out the curtains, and then often you would have a situation where the woman is being rehoused from a women's shelter with children into a property without any curtains or fittings. That one really needs to be reviewed. Imagine living in a house this winter without any curtains.³⁴²

- 5.50 Anglicare also commented on Housing Tasmania property standards:

The RTA does not require Housing Tasmania or community Housing properties to be fitted with curtains in bedrooms and living areas and has no mention of the insulative properties of window coverings in privately rented properties.³⁴³

- 5.51 Sue Leitch, CEO of COTA Tasmania, commented:

Ms O'CONNOR - It does sound like you are making a case for reform of the Residential Tenancy Act which has in it those minimum standards which, as we know, are at the bare minimum. It doesn't require landlords to have curtains in place or particularly efficient heating or insulation. Does COTA have a position on reform of the Residential Tenancy Act in order to provide a better quality of housing to older people? Also, there is the security of tenure issue because that is where the leases are prescribed.

Ms LEITCH - Yes. There is a range of factors in that so the other thing we would like to throw into the mix in that space is also around security. That is raised as an area of concern, particularly in the Launceston area at the moment with the number of home -

CHAIR - Are you talking about physical security?

Ms LEITCH - Yes, security of the property. That is something we have had people talking to us about. Getting enough in place, like security screen doors on to Housing Tasmania properties would be a good step. At the moment, that is at the tenant's own cost. That is an issue we have had raised with us specifically. Access to internet these days should be a bare minimum right. It is certainly an essential service these days. Yes, you should be able to have decent curtains and carpet; you should not have mould on the walls. All of those sorts of things are really important for health and wellbeing, particularly if you have older people who have pre-existing respiratory conditions, which a number of them do.³⁴⁴

³⁴² Transcript of Evidence, 13 August 2019, p. 27.

³⁴³ Submission No. 19, Anglicare.

³⁴⁴ Transcript of Evidence, 14 August 2019, p. 115.

- 5.52 The Committee did however, also hear from Mark Berry, CEO of the Real Estate Institute of Tasmania (REIT), who thought minimum standards were already well covered in the Act. He commented:

As to the security of the tenant, rent control, family violence and things like that, the REIT has been a very strong supporter of minimum standards which are already within the Residential Tenancy Act. Whilst Nick McKim was Minister we were the lead body on bringing in smoke detectors into rental properties as well as legislation. Those things are already in place without further things being placed onto the investors or the current property owners to do.³⁴⁵

Funding

- 5.53 The Committee heard funding for services such as the Tenants' Union of Tasmania and the Residential Tenancy Commissioner needed an overhaul to ensure such organisations could undertake their work effectively. Shelter Tasmania commented that there was a need for:

... increasing longer term secure funding, and increased resources for the Tenants' Union of Tasmania and the Residential Tenancy Commissioner to ensure that all tenants across the State have access to appropriate advice and support, and existing rights and protections under the RTA are upheld.³⁴⁶

- 5.54 The Tenants' Union of Tasmania were also concerned about its continued funding noting:

Appropriate levels of funding are not being provided to organisations advocating on behalf of tenants, including our own. For example, over the last decade there has been an 18 per cent increase in the number of households renting in Tasmania and yet there has been no increase in our core funding.

Given our current circumstances, the Tenants' Union will soon have little alternative but to reduce services available to Tasmanian residential tenants. Having to rely heavily on one off Grants such as the Solicitors' Guarantee Fund is simply not an effective financial continuum. It is imperative in times of housing stress that tenants' rights are protected and services are actively available to support them.³⁴⁷

- 5.55 The Tenants' Union of Tasmania also considered there were resourcing issue for the Residential Tenancy Commissioner, noting:

Finally, we would also note that whilst the powers of the Residential Tenancy Commissioner have expanded significantly over the last six years, there has been no increase in resourcing. Expressed in another way, since 2013 the

³⁴⁵ Transcript of Evidence, 13 August 2019, pp. 87-88.

³⁴⁶ Submission No. 33, Shelter Tasmania.

³⁴⁷ Submission No. 8, Tenants' Union of Tasmania.

Residential Tenancy Commissioner has been responsible for determining unreasonable rent increases, issuing infringement notices in cases of serious breaches of the Act, ensuring that all rental properties meet minimum standards and issuing orders to landlords carry out repairs and maintenance to properties, but has received no additional funding to carry out these important tasks.³⁴⁸

Other issues

- 5.56 Other issues brought up in submissions relating to the Residential Tenancy Act include the Tenants' Union of Tasmania arguing for the 'protection of tenants being arbitrarily and unfairly evicted.'³⁴⁹ In its submission it noted:

It is particularly concerning that Housing Tasmania (as well as other social housing providers) have for many years listed lease expiration as the basis for a notice to vacate, rather than the genuine underlying reason, thereby deliberately circumventing the tenant's ability to challenge the true basis for the eviction. A recently published Right to Information request found that in 2017 and 2018 Housing Tasmania sought to evict 36 public housing tenants without providing them with the underlying reason for their eviction, or with a true right of review.³⁵⁰

Tenants should be able to maintain their tenure unless they have seriously breached their residential tenancy agreement, or the landlord requires, and proves, that they need to change the use of the property (and provide lengthy notice and compensation). We therefore recommend the repeal of the sections of the Act that permit fixed term tenancies.³⁵¹

- 5.57 Accordingly, the Tenants' Union of Tasmania made the following suggestion regarding fixed term leases:

If fixed terms are abolished, tenants will no longer have to rely on being offered a renewal or extension, or moderate or suppress any complaints against their landlords in order to secure a renewal or extension, or take the risk challenging an end of lease notice to vacate because it is not genuine or just. Intuitively, this should result in the average length of a lease increasing, and housing stress decreasing

Currently if a tenant breaks a fixed term lease (without giving a valid notice to terminate) they must continue to pay rent until a new tenancy is formed, or the fixed term ends, whichever is sooner (provided that the landlord does everything reasonable to enter a new tenancy agreement as soon as possible). By contrast, a tenant that has a non-fixed lease can terminate their tenancy without providing a reason with 14 days notice, and does not have to continue

³⁴⁸ Submission No. 8, Tenants' Union of Tasmania.

³⁴⁹ Submission No. 8, Tenants' Union of Tasmania.

³⁵⁰ Communities Tasmania, Right to Information No.: RTI201718-038-CT. As found at https://www.dhhs.tas.gov.au/_data/assets/pdf_file/0004/375880/RTI201819-038-CT.pdf (Accessed 12 July 2019) cited in Submission No. 8, Tenants' Union of Tasmania.

³⁵¹ Submission No. 8, Tenants' Union of Tasmania.

paying rent beyond those 14 days. The effect of the abolition of fixed term leases, and thus break-lease compensation, would be to incentivise landlords to try and keep their tenants happy by making improvements and/or lowering the rent, as they will not be compensated if the tenant leaves. It will increase tenants' power to demand higher quality, and cheaper, rental premises.

Abolishing fixed term leases would likely result in the length of the average tenancy increasing, lowering the churn of housing stock. As there are currently few limits on increasing rent between tenancies as opposed to during tenancies,³⁵² this may slow the growth of rents.³⁵³

5.58 The Tenants' Union of Tasmania also recommended a change to the blacklisting of tenants, stating:

We strongly recommend that Part 4C of the Act is amended to prohibit landlords and real estate agents from blacklisting tenants for actions arising from the actions of the perpetrator including damage to property and unpaid rent.³⁵⁴

5.59 In a joint submission CentaCare Evolve Tasmania and CatholicCare Tasmania considered there were issues with the Residential Tenancy Act in relation to supported accommodation models:

Current legislation has an unintended impact on provision of support accommodation models. The RTA provides a three month period where by a support provider can accommodate a client without the requirement to provide notice as per the Residential Tenancy Act. This provides risk to the support organisation in regards to length of support within a residential setting, the current housing crisis creating an environment whereby clients of support services are unlikely to obtain a long term housing outcome within three months and as such the support provider is inhibited in their capacity to extend the supported accommodation option for the duration of need. This is foreseen to create a challenge for any housing first models to be provided into the future where the primary intent of the model is one of support to increase long term tenancy outcomes.³⁵⁵

5.60 Accordingly, CentaCare Evolve Tasmania and CatholicCare Tasmania recommended that the Government:

³⁵² If a tenant breaks their lease, the landlord is required to take reasonable measures to enter into a new tenancy agreement, per section 64A of the Act. The Residential Tenancy Commissioner has held that an landlord will not be taking reasonable measures if they increase the rent unreasonably – Submission No. 8, Tenant's Union of Tasmania.

³⁵³ Bill Davies, Charlotte Snelling, Ed Turner and Susan Marquardt, "Lessons from Germany: Tenant Power in the Rental Market", *Institute for Public Policy Research*, January 2017, p28, cited in Submission No. 8, Tenants' Union of Tasmania.

³⁵⁴ Submission No. 8, Tenants' Union of Tasmania.

³⁵⁵ Submission No. 14, CatholicCare Tasmania and Centacare Evolve Tasmania.

Consider support requirements of crisis, transitional and support based models of accommodation and the impact of the RTA of the capacity to deliver support focused accommodation models.³⁵⁶

- 5.61 Shelter Tasmania proposed the establishment of a working group modernise the *Residential Tenancy Act 1997*:

The establishment of a working group to modernise the Residential Tenancy Act and improve the tenancy security of all Tasmanians in private rental housing. This aligns with recommendation 1.2 from COTA's Budget Priority Statement, and would assist Tasmania to align with best national practice on matters such as pets, digital rights, energy efficiency and emerging disruptive technologies such as apps for tenants and landlords.³⁵⁷

Findings

- 5.62 The Committee finds that the *Residential Tenancy Act 1997* is no longer providing adequate protections or rights for tenants and requires a thorough review to ensure that it effectively regulates the private rental market.
- 5.63 The Committee finds that longer rental lease agreements would provide tenants greater security and certainty for landlords.
- 5.64 The Committee finds the management of social housing leases needs to be reviewed to ensure that appropriate support and exit points are provided for individuals who have had their leases terminated.
- 5.65 The Committee finds that pet owners can be discriminated against in the community housing and private rental market, and there is anecdotal evidence that this is contributing to homelessness.
- 5.66 The Committee finds that there is a need for standardised application forms and residential tenancy agreements or leases in the private rental market to better protect tenants' rights and provide certainty to landlords.
- 5.67 The Committee finds the minimum standards as set out in the *Residential Tenancy Act 1997* are not always met and that there are difficulties in the enforcement of those standards.

³⁵⁶ Submission No. 14, CatholicCare Tasmania and Centacare Evolve Tasmania.

³⁵⁷ Submission No. 33, Shelter Tasmania.

- 5.68 The Committee finds there is a need for a mechanism and resourcing to ensure compliance with the minimum standards in the Act without the need for a tenant to make a complaint to the Residential Tenancy Commissioner before compliance is checked.
- 5.69 The Committee finds the minimum standards for electricity and heating in the Act should be revised and strengthened to require energy efficient heating to ensure people are not faced with high electricity costs associated with heating.

Recommendations

50. The Committee recommends the Tasmanian Government conduct a full review of the *Residential Tenancy Act 1997* and reform it to take into consideration the changes in the current market with specific reference to the provisions relating to minimum standards and their enforcement, energy efficiency standards, security of tenure for tenants, rent controls, standard leases and applications, and pets.
51. The Committee recommends the Tasmanian Government undertake a review of the role and powers of the Office of the Residential Tenancy Commissioner with a view to ensuring the Commissioner is empowered to undertake compliance checks on residential properties without the need for tenants to complain before a check is conducted, and the Office be appropriately funded to undertake such inspections.
52. The Committee recommends the Government consider providing incentives for property owners to have energy efficient heating appliances in rental properties.
53. The Committee recommends the Residential Tenancy Commissioner develop standardised application forms and residential tenancy agreements or leases to ensure they are lawful and do not intrude upon tenants' rights and privacy.

Regulation of rent increases

5.70 A late addition to the Select Committee's Terms of Reference was (k.a), relating to the regulation of rent price increases, with particular reference to the Australian Capital Territory (ACT) model.

5.71 Part 5 of the *Residential Tenancies Act 1997* (ACT) provides that rental rate increases may be considered excessive if they are 20% greater than the CPI. In such cases, a tenant may appeal to the ACT Civil and Administrative Tribunal (ACAT) and the landlord or lessor must argue that the rent increase is justified. Essentially the provisions mean that rent increases are capped at CPI plus 20% unless the landlord can successfully argue at the ACAT that a higher rent increase is justified. An amendment to the Act was passed by the ACT Legislative Assembly in March this year that, when brought into force, will provide that any increase in rent which is above CPI plus 10% may be considered excessive.³⁵⁸

5.72 The ACT legislation differs from that which applies in Tasmania. There is currently no legislative provision which sets out what may be considered an excessive rent increase. Rent increases are considered reasonable if they reflect the current market rates. That is, rental increases on a given property reflect the rent paid on a similar property in a similar condition in a similar location.³⁵⁹ This essentially means that a landlord in Tasmania is able to increase rents at the end of a residential tenancy agreement on an annual basis in line with market rates.

5.73 The Committee heard that rents in Tasmania have increased significantly in recent years, with the Tenants' Union noting:

Between 2001 and 2016 rents increased by 121 per cent, while general inflation was 46 per cent. In the two and half years following the 2016 census, new rents in Tasmania have risen by 20%, with the most dramatic increases being seen in Southern Tasmania, where new rents rose by 30%.³⁶⁰

5.74 Several submissions gave examples of individuals who have been affected by large increases in their rent over a short period of time. The Salvation Army Doorways Centre submission gave the following two examples:

Meet Mrs A and her son, Mrs A is 72 and her son 49 living in a rented unit in Hobart, whom telephoned Doorways because they are beside themselves with worry and anxiety at the news of a looming increase in their cost of rent by a massive \$90 per fortnight bringing the total fortnights rental costs to \$900 per fortnight. Keep in mind that Mrs A and her son have been model tenants in the

³⁵⁸ *Residential Tenancies Amendment Act 2019* (ACT) A2019-5.

³⁵⁹ See information on rent increases <https://www.cbos.tas.gov.au/topics/housing/renting/during-a-tenancylease/rent-increases>

³⁶⁰ Submission No. 8, Tenants' Union of Tasmania.

property for a period of 10 years, both on Commonwealth Income Support Pensions, both identify with having diagnosed physical disabilities, plus there are very little extended family networks whom can be called upon for emotional or financial assistance.

.....

I have been living in my 2 bedroom unit in Moonah for a total of 5 year and would have happily stayed not for the fact that my landlord visited me as part of my lease renewal in June 2019 to inform me she had made a decision to put the unit in the hands of a real estate agency... I was left dazed and confused on being informed by the real estate agent the increase would amount to a staggering \$135 per week bring the total sum of rent to \$395 per week. In financial terms struggling to exist on an aged pension I would have been left with \$270 per fortnight for all my everyday living expenses – groceries, fuel, power, medicine and my mobile phone you can forget about clothing or health care.... I was encouraged to look at public housing which I did, it was overwhelming there was buckley's and no chance. I spoke with the tenancy union as my desperation grew, tenancy union informed me their hands are tied. I'm 67 and now reduced to having to share my desperation with a friend of a friend who thank goodness is willing to put me up in accommodation for \$290 per week, without the support of an extended friend, I kid you not I would have been pitching a tent.³⁶¹

5.75 Pattie Chugg, CEO of Shelter Tasmania, also spoke of the problems associated with the rising rents in Tasmania:

At the current rate, people on low incomes cannot afford the rent increases that have taken place over the last few years. The myth of cheap rent in Tasmanian housing has well and truly gone. The average weekly rent growth in Tasmania has resulted in previous low-cost properties also being occupied by much higher-income groups. Low-cost housing has become scarcer in the private rental market, where one in five Tasmanians live. Demand for lower-cost rentals has increased because people who are in work and saving up to purchase a home are also competing at that lower end of the market. This is not just a challenge in Hobart but across Tasmania. In fact, the national Rental Affordability Index shows that Tasmania's rest of state population and the Greater Hobart area has become the least affordable rest of state as well when you take into account people's incomes.³⁶²

5.76 John Pauley, Vice-President, COTA Tasmania, spoke of the impact of rising property values on rents:

Ms O'CONNOR - The issue here is that there is no restraint on landlords increasing rents at all at the moment. We are hearing of \$70, \$80, \$90 increases above market increases.

Mr PAULEY - That is a real problem, but when the underlying properties are going up by that much - I can give an example. I was a landlord and I was very happy renting my property at, say, \$200 a week when the property was worth

³⁶¹ Submission No. 9, Salvation Army Doorways Centre.

³⁶² Transcript of Evidence, 13 August 2019, p. 16.

*\$200 000. Now the property is worth \$800 000 or \$900 000. As a landlord, you're not as happy to get \$200 a week because you could sell that property and put that money in some other investment and get that higher return. Whoever buys that property at that higher value is going to want to get more than \$200 a week. There is a happy medium somewhere between trying to keep rent increases at a reasonable level and letting the market rip as it is at the moment.*³⁶³

- 5.77 In light of these significant rent and property value increases in a tightening housing market, the Committee heard some views in favour of increasing rent control options. The Tenants' Union of Tasmania recommended:

It is clear that market mechanisms are not working efficiently in the Tasmanian and Australian housing markets. Since the turn of the millennium market conditions have deteriorated for tenants with rental prices dramatically outstripping general inflation; between 2001 and 2016 rents increased by 121 per cent, while general inflation was 46 per cent. In the two and a half years following the 2016 Census, new rents in Tasmania have risen by 20%, with the most drastic increases being seen in Southern Tasmania, where new rents rose by 30%.

*The current protections in the Act against 'unreasonable' rent increases are grossly inadequate, as (1) the increase will not be deemed unreasonable unless it exceeds market rent, which provided no solace to tenants when market rent has increased dramatically; and (2) the Act places the onus on tenants to apply for a ruling, rather than the landlord to justify the increase.*³⁶⁴

- 5.78 The Tenants' Union of Tasmania accordingly:

*... support direct rent controls that either freeze rents at their current rate for a fixed period, as has occurred in Berlin, or limits increases to at or below the general rate of inflation, as New York City has done recently.*³⁶⁵

- 5.79 Tania Hunt, CEO, Youth Network of Tasmania (YNOT) also considered rent control should be explored:

*We have heard, anecdotally, that has been the case where there have been significant rental increases that have resulted in homelessness. We would definitely support the regulation of rent and further exploring what that would look like.*³⁶⁶

- 5.80 Gypsy Love also considered there should be rent price regulation, noting:

³⁶³ Transcript of Evidence, 14 August 2019, p. 110.

³⁶⁴ Submission No. 8, Tenants' Union of Tasmania.

³⁶⁵ Submission No. 8, Tenants' Union of Tasmania.

³⁶⁶ Transcript of Evidence, 15 August 2019, p. 9.

*The rental market needs to be regulated so that rents cannot be set simply according to availability, but also to standard of property. It cannot be that the standard of property decreases whilst the rent increases.*³⁶⁷

- 5.81 Witnesses before the Committee were asked about whether the ACT model should be adopted in Tasmania to stop excessive rent increases.
- 5.82 Shelter Tasmania considered that the ACT legislation provided a good starting point that should be examined. Dr. Cynthia Townley, Policy Officer, commented:

... We spoke to a colleague from the National Association of Tenants Organisations in the ACT, and basically I think we support the investigation of that regulatory framework for the increases to rent prices. The ACT is the most well-developed of the Australian jurisdictions, as we see it, so that is probably the model to start from. We understand it is under review at the moment so they are looking to make some changes. We would want to look not just at the existing model, but the future version of it, the next generation. At the moment they have a benchmark for a reasonable increase in rent. That is CPI plus 20 per cent of CPI. What they are looking to do is to adjust it to CPI plus 10 per cent of CPI, so they are actually going to reduce the benchmark increase.

What is interesting about the approach is, it does not rule out any higher increases. Higher increases are permitted; it is just that there is an onus on the landlord to make a case for the higher increase. They get to go to the tribunal, the ACT Civil and Administrative Tribunal - the ACAT, and say, 'These are the reasons. We have made these improvements to the property', or 'This is the change in circumstances', or whatever their reasons might be. So it is just that there is a benchmark which everybody can access and everybody uses that. Real estates will refer to it when they make their annual adjustments to people's rent. There is a public formula that you can access, put the numbers in and see what the increase is, so even if you are not a professional landlord, if you are just an ordinary person who has one additional property that you are renting out or a couple, you can use the same framework and say, 'This is the standard, reasonable increase'. Tenants can do it too. If they are hit with a rent increase that looks to them to be unaffordable or unreasonable, there is somewhere to go to say yes, it is no, it is not.

*It is really not a detriment to the market that is visible. We have not seen a sudden stagnation of rent increases in the ACT. In that sense it may not completely halt a dramatic and rapid rise in rents. What it does is it gives a reference point for people. It stops people acting in an irresponsible way without regards for the impact on tenants and just making stuff up at will.*³⁶⁸

- 5.83 When asked what would happen if a rent increase went to the tribunal and it was decided the increase was too much, Dr. Townley advised:

³⁶⁷ Submission No. 27, Gypsy Love.

³⁶⁸ Transcript of Evidence, 13 August 2019, pp. 21-22.

They probably negotiate around it. It would depend on the reasons but it would be case by case, I think.

You would not get cowboy increases which we have been seeing a bit of. Someone can say that at the moment in Tasmania we are referring to market situations, but a person might own half a dozen properties in a very small area all together, and they can just kind of spiral it up. That is a market reference that has no constraint on it or no real objective reference.

At the moment we actually do not have anything that puts a standard in place. The evidence I would suggest, if you look at the increases in the ACT or my understanding of when we talked to our colleagues, is that the rents are still going up. They have not stopped, and they are probably going up slightly more than CPI plus the 10 per cent or 20 per cent. But, basically, they do not need to and most people are going to be better off with a reference point than just a kind of a 'let anything happen' system.³⁶⁹

5.84 Ms Chugg, Shelter Tasmania, continued, noting:

The value is that it creates a really transparent framework. At the moment there is a very complicated formula if you want to appeal against an unfair rent increase. This actually gives a framework to it. Our colleagues were saying that real estate agents use it regularly. So it is not that you cannot put the rent up. The appeals by exception - what happened before was that the tenant had to have the onus. The new changes to the legislation is that the landlord has the onus and it has been really well adapted.³⁷⁰

5.85 Anglicare also considered linking rent increases to the CPI or another mechanism would be beneficial. In evidence before the Committee, Noel Mundy, General Manager, Housing and Community Services, commented:

... And certainly, I would say that the experience of our front door, where private rentals are going up, is unaffordable, and if there was a mechanism that was linked to, whether it is CPI or some tribunal, that would be beneficial to the people we are working with, who are really struggling to either get into the private rental market, or more importantly, to maintain it once they are there.³⁷¹

5.86 Margie Law, Policy Analyst, Anglicare, considered protection against rent increases was important:

Ms O'CONNOR - There is reference in your submission to the Residential Tenancy Act and the need for improved minimum standards around insulation, heating, curtains, better protection of tenants' rights. Do you want to talk a little bit more about the reforms that we could make to the Residential

³⁶⁹ Transcript of Evidence, 13 August 2019, pp. 22-23.

³⁷⁰ Transcript of Evidence, 13 August 2019, p.23

³⁷¹ Transcript of Evidence, 13 August 2019, p. 71.

Tenancy Act in order to improve liveability and also better protect the rights of tenants?

Ms LAW - A clear one that you've raised is (k.a) - rental increases. If the ACT model with its tribunal provides better protection, then it's definitely worth looking into. I know the Tenants' Union is coming to talk to you. They see what happens from the point of view of the increase in rent and trying to negotiate with the landlord. What we see is from the perspective of people not being able to afford it and therefore either becoming homeless or coming to our services for help to find a different place to live. Protection about rent increases would be very important.³⁷²

- 5.87 Holly Ewin considered that introducing similar provisions to those that apply in the ACT would improve the affordability of housing:

Ms O'Connor - The ACT has a model where tenants can appeal what they say is an unreasonable rent increase and there is a relative CPI cap plus 10 or 20 per cent. Do you think in the Tasmanian market regulating rent increases would contribute towards an increase in availability and affordability of housing?

Ms EWIN - Possibly not availability but definitely affordability. The reason I lost my home at the start of last year was because of an unreasonable rent increase. My lease expired and they were putting it up by \$120 per week, which I could not afford.³⁷³

- 5.88 The Housing with Dignity Reference Group compared the Tasmanian and ACT Residential Tenancy Acts and recommended that the Tasmanian *Residential Tenancy Act 1997* either adopt the same as the ACT model or integrate into Tasmanian legislation the aspects on rent increases.³⁷⁴

- 5.89 The Tenants' Union of Tasmania considered that the ACT legislation did not go far enough:

Mr BOMFORD - We have looked at the ACT model for rent control which we think is worth looking into, with some reservations. Currently the ACT model is CPI plus 20 per cent, so if CPI is 1 per cent then it is 1.2 per cent.

Ms O'CONNOR - Sorry to interrupt you, Alex, but yesterday I think we heard it was CPI plus 10 per cent, so it is actually 20 per cent, isn't it?

Ms BARTON - It is currently 20 per cent. They have decided to decrease that but it doesn't come into effect until March next year when it will drop to 10 per cent.

Ms O'CONNOR - Thank you.

³⁷² Transcript of Evidence, 13 August 2019, p. 77.

³⁷³ Transcript of Evidence, 15 August 2019, p. 25.

³⁷⁴ Housing with Dignity Reference Group supplementary material, tabled on 14 August 2019.

Mr BOMFORD - The fact that they have changed it suggests it hasn't been a panacea at all in Canberra. Rents there are still higher than here, although of course you have to take into account the fact that average income is a lot higher up there. We think the issue with rent control in Canberra and as it currently is here is that they rely on the tenants to make the move. The tenant has to complain about the rent increase and tenants don't complain about rent increases because they're afraid of securing their property over anything else.

If that model was adopted here we would prefer just CPI flat without the additional 10 per cent and if a landlord puts up their rent by over CPI they have to justify why. Even in the ACT, if a rent is put up beyond that limit it's still incumbent on the tenant to be the one that challenges it. From our anecdotal experience, very few tenants challenge rent increases, even if we tell them that they are probably unreasonable.³⁷⁵

5.90 Mark Berry, CEO, REIT, expressed concern about the ACT model, commenting:

The last part in the terms of reference in relation to rent capping or keeping rent increases to CPI that are happening in the ACT is terrifying in this industry. At the moment that might be okay but what happens when interest rates increase? Interest rates won't stay low or go down forever, they will start to go up.

When that starts to occur and you can't increase your rent to a suitable level, unfortunately those people who own the properties will be put into a position where they are in stress and forced to sell the properties.³⁷⁶

5.91 John Pauley, Vice-President, COTA Tasmania, also expressed some concerns regarding rent regulation, commenting:

I would also go so far to say that part of the issue around rent control comes back to agents and that agents really don't want long-term leases because agents, when they relet a property, the cost of reletting is about one month's rent for a landlord. On top of that, you have about 8 per cent per month in terms of agents' fees. There is a real advantage for an agent in having a short lease that is renewed regularly and that gives the opportunity to have rent bidding happening when a lease is put in the market again. That is a common practice interstate, where half a dozen people turn up to rent something that has been put on the market and they will put the price up.

The desirability would be to have longer-term leases with a known rise clause, but you are always going to have the issue of the rent falling behind the market when it opens up. I think the ACT scheme allows this, but when the property is relet for whatever period of time, the landlord can bring the rents up to that market level again if they wish. You might escape it for a short period of time but you are creating a longer-term issue as to what is going to happen if those rents fall below the market levels and who is going to be accessing those lower market rents.

³⁷⁵ Transcript of Evidence, 14 August 2019, p. 30.

³⁷⁶ Transcript of Evidence, 13 August 2019, p. 87.

.....

There is a really fine line balance that you have to think about in terms of regulating rents. On the one side, it helps the tenant and it gives the tenant some budgeting security that they know their rents might go up by the CPI or the CPI plus or minus a bit. On the other side, and this has happened in a number of overseas locations, where you impose rent control, if the owners cease to invest because they are not getting the return from their properties, you can get a significant degrading in the type of property people are entering into.

I would also go so far to say that part of the issue around rent control comes back to the agents and that the agents really don't want long-term leases because agents, when they relet a property, the cost of reletting is about one month's rent for a landlord. On top of that, you have about 8 per cent per month in terms of agents' fees. There is a real advantage for an agent in having a short lease that is renewed regularly and that gives the opportunity to have rent bidding happening when a lease is put on the market again.³⁷⁷

5.92 Similarly Simon Behrakis had concerns on rent capping:

The rental caps being referred to - and I am happy to be corrected on them - but the ACT model would do little to reduce rental prices in our current market, nor would it slow the increase. This is because the ACT model, rightfully, allows for rent increases above CPI, if there is an economic justification to do so, including specific reference to the value of the service or goods being provided - in other words, the house, and the rental rates for comparable premises. Given the reasons for the current housing affordability crisis - currently a large broad economic factor, namely the demand for housing far outstripping supply - the suggested caps would do little to limit rental prices in the Tasmanian market.³⁷⁸

5.93 James Toomey, CEO, Mission Australia, expressed reservations about rent capping:

In our view, a more effective way of stabilising rents would be to increase the supply of housing which is available to people to rent.³⁷⁹

Findings

5.94 The Committee finds there is some support within the community sector for rent control provisions, similar to that which apply in the Australian Capital Territory.

³⁷⁷ Transcript of Evidence, 14 August 2019, pp. 109-110.

³⁷⁸ Transcript of Evidence, 14 August 2019, p. 40.

³⁷⁹ Transcript of Evidence, 15 August 2019, p. 65.

- 5.95 The Committee finds it did not receive evidence on the implications of rent control on landlords and private investment, including whether this would make landlords switch from long-term rentals to the short-stay accommodation market.

Recommendations

- 54. The Committee recommends that consideration of rent control provisions be incorporated into a wider review and reform of the *Residential Tenancy Act 1997*.**

6 PLANNING RELATED MATTERS

- 6.1 The Committee heard that the planning system and planning policies were integral to addressing housing affordability and availability. This Chapter considers shortfalls with current planning policies in addressing the housing shortage and future reforms that should be considered.

Planning system and policies

- 6.2 The introduction and review of new planning policies and mechanisms are contained within the Tasmanian State Government's *Affordable Housing Action Plan 2019-2023* and are intended to address some of Tasmania's planning limitations in order to deliver new supply of affordable housing in Tasmania.³⁸⁰
- 6.3 The Committee heard from a number of witnesses that planning processes have contributed to the current housing shortage. The Housing Industry Association (HIA), in its submission to the Committee stated:

*Making new housing supply and housing affordability an objective of state planning legislation.*³⁸¹

- 6.4 Local Government Association of Tasmania (LGAT) considered that the planning system and planning policies had resulted in low-density residential developments in the inner city, exacerbating the lack of housing availability and affordability in those areas:

*Past land use planning and development has resulted in dispersed patterns of settlement, separation of land uses, and low-density residential development in Tasmania. Hobart, for example, has the second lowest population density of any capital, resulting in significant infrastructure and land use inefficiencies. While some of the most affordable homes are located on the urban fringe or in outlying rural areas, other expenses (e.g. travel) and lack of services mean that the benefits of these lower-cost housing options are negated (DIER, 2012).*³⁸²

- 6.5 LGAT further commented:

The Tasmanian planning system does not specifically address housing availability or affordability. The Tasmanian Planning Commission noted in its report to the Minister for Planning on the draft State Planning Provisions (SPPs) that:

³⁸⁰ Submission No.26, Tasmanian Government, Attachment 1C Tasmania's Affordable Housing Action Plan 2019-2023, March 2019.

³⁸¹ Submission No. 5, Housing Industry Association.

³⁸² Submission No. 20, Local Government Association of Tasmania.

....consideration is given to whether housing affordability is a matter that should be addressed in the planning system and if so, what actions are required to set the policy context, such as modifications to the objectives of the Act or planning policy direction relevant to the SPPs.³⁸³

6.6 Quinten Villanueva, Director of Capital Investments, commented:

*Tasmania can no longer continue as “business as usual”, we are experiencing unprecedented growth and must act. Immediate changes to the planning scheme are required so the needs of Tasmanian’s can be reflected as the number one priority.*³⁸⁴

6.7 Mr Villanueva further commented how the current planning scheme was restricting development:

*The development capacity of a parcel of land is dictated by the planning scheme, meaning there are usually restrictions on how many dwellings can be developed, or restrictions on what massing and height and bulk can be constructed. Whatever the land costs and any other fixed costs are for the given site, this is then divided over the number of dwellings that can be constructed. Therefore, the less density achievable, or total number of dwellings, in many cases, the higher the median cost of the dwellings for that site. An additional challenge faced today is that there are not many opportunities for residential development. Land that is zoned appropriately is often occupied by someone who is living there and is not motivated to sell; or the purchase price of the property is impacted by other forces, such as a lease, which forces the property to be purchased on a rental yield, and not a square metre rate. And with a lowering of interest rates, one can only expect these yields to go lower, forcing property prices for these properties to go even higher.*³⁸⁵

6.8 Tony Collidge, President of the Real Estate Institute of Tasmania (REIT) also considered changes to the planning system to support private development were needed to address the housing shortage:

*Whilst affordable housing is reliant on Government support, I strongly believe that more can be done to “free up” private housing and rentals alleviating the pressure and reliance on Government. Simply, less red tape, better fluent planning and encouragement and support for private development could open a way to provide the supply (of more dwellings) we need and release the market from continuing upward price and rent movement.*³⁸⁶

6.9 Mr Collidge also commented:

³⁸³ Submission No. 20, Local Government Association of Tasmania.

³⁸⁴ Submission No. 15, Capital Investments.

³⁸⁵ Transcript of Evidence, 13 August 2019, pp. 56-57.

³⁸⁶ Submission No. 4, Real Estate Institute of Tasmania.

*... a failing planning scheme which is bastardised by many administering it; copious layers of administrative red tape which linked with the planning scheme not only drag out but significantly add to the cost of development.*³⁸⁷

- 6.10 Peter White, Chief Executive, Housing Tasmania, considered having an efficient planning scheme would assist housing availability and affordability:

*In terms of ability to influence it that way it is certainly not so much in my area, but things such as having efficient planning schemes that bring properties forward and having land available rezoned and released, et cetera, can offer opportunities for investors and others to build new supply for the private rental market and, in some cases, given interactions in the marketplace, affordable or home ownership opportunities as well, because people moving to home ownership then come out of private rentals and that then frees up that private rental stock.*³⁸⁸

- 6.11 John Stubley, CEO of the Hobart City Mission, considered that the current planning system could be obstructive to the building of new homes:

*Another aspect is that we might have an entrenched belief of NIMBYism, we don't like change and we don't like the idea of infill developments, or we might do in principle so long as it is not in our backyard. We don't really have a vision of how we want to see this city grow because we are looking at the need to grow quite dramatically. That is beyond what we currently have in place as a growth model. That is also hampered by a planning system that can be obstructive. You can have situations in which the planning department of the council will recommend a development for approval, but the council will stop the development because of objections.*³⁸⁹

- 6.12 Dr. Jed Donoghue, Housing and Homelessness State Manager, The Salvation Army, considered that the planning scheme was not applied consistently across local government areas:

*I think there is a desire for consistency across the state. From my conversations with the community housing providers in Tasmania, they find there has been inconsistency in the past between the councils and approval processes and the time it takes. Also when dealing with government enterprises, simple things like getting your power or water connected seem to take a very long time when those organisations have been informed at the beginning of the development process. We experienced this ourselves. We started building in December of last year and completed nine units in June for people off the public housing waiting list at our own expense, but it still took months to get power and water connected and then reconnected when we wanted to install solar. There are some improvements that could be made in terms of those government enterprises.*³⁹⁰

³⁸⁷ Submission No. 4, Real Estate Institute of Tasmania.

³⁸⁸ Transcript of Evidence, 13 August 2019, p. 12.

³⁸⁹ Transcript of Evidence, 15 August 2019, p. 13.

³⁹⁰ Transcript of Evidence, 13 August 2019, p. 46.

- 6.13 LGAT commented that, while local councils had identified current and future housing needs in their local areas, they had struggled to adequately resource the planning for these needs and successive State Governments had not developed strategies to assist in this planning:

There has historically been limited action in locating new housing supply so that it is efficiently connected to employment centres and social infrastructure such as schools and health centres. Land use planning efforts have been constrained by the failure of successive Governments to develop a settlement strategy which takes account of demand and supply. Historically, Local Government has identified current and future housing requirements, however in recent years councils have struggled to adequately resource this strategic work due to the combined effects of many years of planning reform, coinciding with increasing development assessment work and chronic skills shortages (at a State and National level) in the planning profession.³⁹¹

- 6.14 Accordingly, LGAT considered there needed to be better coordination between State and local land use planning, and recommended:

Finalise the Settlement and Liveable Communities Tasmanian Planning Policy and develop settlement strategies for the key residential growth areas. This work needs to connect State and local land use and transport planning. It should include consideration of where population and housing growth should be allowed versus constrained and where it makes sense to invest in infrastructure, hard and social. Solutions must be based on a comprehensive understanding of future housing demand and supply by location and designate or reserve areas for urban renewal and infill (see discussion further below).³⁹²

- 6.15 The Property Council of Tasmania also considered that local governments in Tasmania are inadequately resourced to implement the current planning scheme:

A lack of local government resources has also contributed to the delay in implementing the Tasmanian Planning Scheme, leaving the inconsistencies and red tape which prompted the planning overhaul in the first place.³⁹³

- 6.16 The Property Council of Tasmania also told the Committee that finalizing the Tasmanian planning scheme was central to ensuring local governments have adequate resources:

....securing the resources to facilitate these changes remains an issue for local councils. Most councils are yet to complete and submit their Local Provision Schedules to the Tasmanian Planning Commission and this is holding back implementation of the Tasmanian Planning Scheme. To further accommodate growth, the Tasmanian Government must project manage the development of

³⁹¹ Submission No. 20, Local Government Association of Tasmania.

³⁹² Submission No. 20, Local Government Association of Tasmania.

³⁹³ Submission No. 21, Property Council of Australia.

Local Provision Schedules through funding a unit to lead finalisation to a strict state-wide deadline as their primary function. For efficiency, the Planning Scheme should be amended to remove the requirement that Local Provision Schedules be submitted to the Tasmanian Planning Commission prior to public exhibition. This amendment will allow public representations to be coordinated within a singular submission to the Tasmanian Planning Commission, without delays encountered due to double handling.³⁹⁴

6.17 REIT however considered that it wasn't necessarily a resourcing issue for local governments that was restricting development, but rather local governments:

Take the planning and building approval function away from local government.

.....
Each will remain parochial to its own values and never be totally committed to a holistic approach. We will continue to be over governed and overcharged! Without a strategic united plan to accommodate our growth, urbanisation will continue to spread encroaching more into regional areas increasing its urban sprawl which will only exacerbate many of the problems (traffic, services-water, power, sewage) we currently face. We need to be much smarter with our town planning particularly catering for a growing demand for infill and medium density housing. We need to use the space we have more wisely, and we need to ensure that our infrastructure is adequate to service future needs. We need a complete overhaul of the regional planning and building process including its removal from Local Government.

We need to have a Planning scheme which is administered by impartial professionals away from City/ Municipal Councillors and free of "Red Tape". The planning scheme should define precisely what can and cannot be built in a location (including constraints such as height, setbacks, parking... ..) so that investors can act with some certainty when making a decision to buy. There should be no scope for appeal if all aspects of the planning scheme are met. A State wide single planning scheme should be administered by a newly established Planning Authority which also incorporates Taswater and Tasnetworks representation to become one stop shops for Planning and Building approvals.

Unfortunately, the existing manner upon which the planning system works is open to bastardisation by Councillors and minority groups. I am aware of situations where a councillor developing land gets preferential treatment over a neighbour trying to do the same. Councils making developers pay hundreds of thousands if not millions of dollars to upgrade pre-existing infrastructure (which is the Councils responsibility) otherwise the 13 development will not be approved. Is it fair that 1000 people can hold a city to ransom and waste tens of thousands of rate payer's money in selfishly seeking their way? ³⁹⁵

6.18 The Committee received evidence relating to land release and broadacre developments. The release of land forms a key part of the Tasmanian State Government's *Affordable Housing Action Plans 1 and 2*. Tabled with the

³⁹⁴ Submission No. 21, Property Council of Australia.

³⁹⁵ Submission No. 4, Real Estate Institute of Tasmania.

Tasmanian State Government's submission, *Affordable Housing Action Plan 2019-2023* states that:

*Surplus government-owned land will be released to generate supply of affordable homes which are located close to services, transport and employment opportunities.*³⁹⁶

- 6.19 Peter White, Chief Executive, Housing Tasmania, provided the following example of a land release:

*To move on to an example of how we can indirectly help a number of cohorts wishing to enter at different points of the housing market, I would also direct your attention to our land release schedule. For example, with Huntingfield we are proposing to provide over 400 new lots of land to the market. The subdivision will make the dream of building or owning a new home far more accessible for many Tasmanians in what has been a very constrained market in recent years. The transition of people who might otherwise rent a home into property ownership will free up more rental properties into the marketplace. This in turn will take some of the demand out of the rental market and improve affordability and make it more accessible for people to get rental properties.*³⁹⁷

- 6.20 The Committee however heard there were some concerns about how the Tasmanian Government had carried out land releases and had managed subsequent subdivisions of crown land for housing projects. With regards to the planned Huntingfield development near Kingston in the State's south, Peter McGlone from the Tasmanian Conservation Trust, told the Committee:

With Crown Land, I just want to finish on Huntingfield because I think it's a very current issue. We can talk about it another time perhaps. But fast-tracking crown land in the way it's being done is causing all sorts of contention in the community, but the thing I find staggering is that unless there's something new in the order that's been tabled yesterday, there's no guarantee of a single government social house being built at Huntingfield.

*The previous subdivision that was crown land resulted in no government houses. This one is proposing, I think, 450 lots. There is no guarantee there will be one government or social house, which is extraordinary.*³⁹⁸

- 6.21 Representatives of LGAT also spoke of concerns in the way the Government had dealt with land releases:

CHAIR - There have been changes in the planning scheme and consultation processes are always going to be a contentious thing. Thinking about the new legislation to enable fast-track rezoning, and taking Huntingfield as an

³⁹⁶ Submission No.26, Tasmanian Government, Attachment 1C Tasmania's Affordable Housing Action Plan 2019-2023, March 2019.

³⁹⁷ Transcript of Evidence, 13 August 2019, p. 2.

³⁹⁸ Transcript of Evidence, 4 September 2019, p. 16.

example, I'm aware of the concerns expressed by council and also the community as to having access and input to air their concerns about that development, given its scale. There are concerns about density, essential infrastructure, access to services and so on. This isn't an infill development. This looks a bit like a new neighbourhood. How do you respond to the council's concerns in that case that it is an inappropriate development for fast-track rezoning and should go through what I think the mayor has called the normal process? What are the differences between the normal process and the fast-track rezoning and where does the balance lie in regard to consultation?

Dr STEPHENSON - We raised some concerns with the bill initially, most of which were addressed but one of them was around ghetto-isation or large-scale developments. There does have to be an appropriate consideration of the scale and community. Fast-track doesn't mean you abrogate the responsibility around community engagement and it might not have to be the same full council process but there has to be an engagement process and that is just common sense. Mr Lester could probably talk more specifically to the difference in processes. Certainly, a rezoning process through the Tasmanian Planning Commission is not a fast process.

Mr LESTER - No. The minimum possible time frame, which is rarely achieved, is around nine months, so you are typically talking around 12 months. It involves a development application to council and consideration by council as to whether they will initiate the amendment. If they initiate the amendment then it is advertised for a period of time. They receive submissions. The council then writes a report on those submissions and that goes to the TPC. The TPC can choose to hold a hearing. Their practice is they would typically hold a hearing if there are submissions. They would almost always hold a hearing if there are submissions, so then there is a formal hearing process and they consider the matter and make a decision. There are multiple steps in each of those, which amounts to the this 12-month or thereabouts process, typically.

Dr STEPHENSON - The other thing about that particular development, as I understand it, is that commentary was made that the development applications still go through normal processes. With the more recent changes to the way our planning system works there are permitted pathways and so, in reality, because it is a residential development, if they are compliant with the permitted pathways it doesn't go through council. There is no opportunity for the community to engage in that regard. When you think about that and the scale collectively you can understand the concerns that have been raised both by council and community.³⁹⁹

6.22 LGAT also considered that previous large scale approaches to providing new housing stock have not been successful:

In addressing the current housing affordability concerns we must not repeat the mistakes of the 1970s and 80s, where social housing was concentrated in broadacre housing estates with little connection to infrastructure (hard and social) and of a very poor design, exacerbating stigma and failing to provide appropriate private and public amenity. However, there are already a number

³⁹⁹ Transcript of Evidence, 15 August 2019, pp. 36-37.

of large projects underway in Tasmania where social and affordable housing is being delivered by Community Housing Providers on Housing Tasmania land. Concerns have been raised by some councils that the housing is being provided in existing areas of significant disadvantage and with a high level of public housing. In addition, there is limited design guidance, the dwellings are being built extremely quickly and there is an absence of supporting social and physical infrastructure. The fear is that the nature and delivery of additional social housing in these areas is only exacerbating the problem and repeating past mistakes.⁴⁰⁰

6.23 Wendy Fowler also considered broad acre developments had failed to deliver:

It is my observation that the creation of vast public housing estates has failed both the vulnerable and the tax payer in the past. To locate a large cohort of socially and economically disadvantaged in a ghetto miles from services, without access to good public transport and community resources does not solve anything ... it creates intergenerational poverty, poor health and education outcomes and puts the “too difficult” out of sight and out of mind. When the cost of inner city housing is out of reach for those who work within the CBD it’s way beyond time for a major rethink. Perhaps each new subdivision or other development should be required to set aside 25% of the housing stock for nurses and teachers.⁴⁰¹

Findings

- 6.24 The Committee finds the current planning system is not adequate to deal with the current housing shortage and is seen to be restricting development.
- 6.25 The Committee finds that the new housing supply and housing affordability should be an objective of the State Planning System.
- 6.26 The Committee finds the planning processes and decisions are not consistent across local government areas.
- 6.27 The Committee finds that local governments are not adequately resourced to deal with planning issues efficiently.
- 6.28 The Committee finds there is chronic skills shortages (at a State and National level) in the planning profession.
- 6.29 The Committee finds that previous Government approaches to social housing planning such as broad acre developments have been inadequate and have led to a variety of issues which should be avoided in the future.

⁴⁰⁰ Submission No. 20, Local Government Association of Tasmania.

⁴⁰¹ Submission No. 22, Wendy Fowler.

- 6.30 The Committee finds that wherever possible government policy and resourcing should be focused on in-fill and medium density development close to services, education and employment.

Recommendations

55. The Committee recommends the Tasmanian Government make new housing supply and housing affordability an objective of Tasmanian Planning Policies under the *Land Use Planning and Approvals Act 1993*.
56. The Committee recommends the Tasmanian Government work with Local Government Association of Tasmania, and the tertiary education sector to mitigate the chronic skills shortage in the planning profession in Tasmania.
57. The Committee recommends the Tasmanian Government work with Local Governments to prioritise new infill and medium density development close to services, education and employment.

Changes to the planning system

- 6.31 The Committee heard that a number of changes should be made to the planning system to increase housing supply and to ensure social housing and affordable housing is included in new developments.

Mixed tenure housing and inclusionary zoning

- 6.32 The Committee heard that mixed tenure or inclusionary zoning in new developments had been successfully implemented in other jurisdictions and provided a model to ensure that affordable housing and social housing were included in new developments.
- 6.33 LGAT considered that changes were required to the planning system to properly address housing affordability:

Review of the residential planning standards (PD 4.1) to ensure the planning framework adequately considers a greater array of affordable housing options, including infill housing and density requirements, but also requirements for better design outcomes. In order to truly address the affordability of housing

in Tasmania, this review should not be limited to the bounds of our current planning policy context or directions relevant to the SPPs, as there are a number of other options being effectively utilised in other jurisdictions. They include inclusionary zoning and bonus floorspace provisions, both of which are outlined below.⁴⁰²

6.34 Mission Australia made a similar suggestion:

Affordable housing should be integrated into the planning system, including through inclusionary zoning and value capture mechanisms.⁴⁰³

6.35 LGAT argued that planning legislation needs to provide for inclusionary zoning:

Inclusionary zoning is defined as ‘a land use planning intervention by government that either mandates or creates incentives so that residential developments include a number of affordable housing dwellings’ (National Shelter, 2019, p.4). Examples utilised elsewhere include the Queensland Housing Strategy (2017-2027) and National Housing and Homelessness Agreement (Queensland) which commit to introducing inclusionary requirements when surplus State land is developed for residential purposes (National Shelter, 2019). South Australia have introduced similar requirements but have the most significant inclusionary zoning targets (15% of new dwellings in all significant development projects) in the country. South Australia delivered a total of 263 affordable homes (for ownership and social rental) during 2017-2018 as a result (National Shelter, 2019). Inclusionary approaches that are tailored to local market conditions can therefore be used within the planning system to increase supply of affordable housing in Tasmania. Bonus Floorspace is an incentive system that increases the development potential (e.g. building height and scale) of a site in exchange for the funding of, or provision of works in kind, to facilitate community, infrastructure and environmental improvements. This system could be used for achieving site-specific affordable housing outcomes in areas where increased density is viable. Bonus floorspace can incentivise inclusion of affordable housing when applied by Local Government through its planning scheme, however this is not currently possible within our legislative framework.⁴⁰⁴

6.36 Peter Scott, President of the Property Council of Australia (Tasmania), also considered there was a lack of a broad strategic direction to provide for mixed tenure housing:

At state government strategic levels there are often incentivised large-scale developments to incorporate a range of housing typologies and range of tenant types, be they owners or renters. In Tasmania we don't have a broad strategic direction for a mixed tenure housing. It tends to be piecemeal and often the developments are very small scale. If I'm a private developer

⁴⁰² Submission No. 20, Local Government Association of Tasmania.

⁴⁰³ Submission No. 7, Mission Australia.

⁴⁰⁴ Submission No. 20, Local Government Association of Tasmania.

developing 30 units on Harrington Street - the sort of model we were talking about before we came in - how do you incorporate in that a diversity of tenure types, and do it in a realistic, practical way? I don't think that that is really possible. It is more likely that the developer would develop 30 units in Harrington Street, sell them for their best return, and the government would have to pick up the ball and develop an adjacent property to deliver to the parts of the market that the private sector is unable to do so, because the money isn't there to make it viable.⁴⁰⁵

6.37 A number of other witnesses were supportive of inclusionary zoning policies being introduced in Tasmania. Colony 47 commented:

... there have been a number of states that have designed and implemented specific planning policy initiatives to support the inclusion of a prescribed amount of social and affordable housing options within large scale developments.

Colony 47 believes that the development of an inclusionary zoning policy that supports the creation of additional social and affordable housing options would be a positive initiative for the Tasmanian Government to consider.⁴⁰⁶

6.38 Shelter Tasmania made similar comments:

Inclusionary zoning is successfully used in many jurisdictions. It introduces a mechanism within the planning system to increase the supply of affordable housing. Inclusionary zoning mandates or incentivises the inclusion of affordable housing within new residential developments. South Australia presents a useful model on which to draw.

Inclusionary zoning will enhance Tasmania's planning system, which is currently silent on affordable housing. Tasmania's planning system needs to play its part in meeting our housing needs by encouraging affordable housing in our cities and towns, but that is not happening. Despite Tasmania's current housing crisis, there continues to be some resistance to using planning mechanisms, such as inclusionary zoning, to address the chronic shortage of affordable housing.⁴⁰⁷

6.39 In evidence before the Committee, Pattie Chugg, CEO of Shelter Tasmania, considered that inclusionary zoning should be mandatory for new developments:

We would also like to see a statewide policy to mandate inclusionary zoning across all new developments. We have been advised by a developer that we need a strong lead-in time but the development industry is not actually against it, so we would want to enable developers to embed this in their planning.⁴⁰⁸

⁴⁰⁵ Transcript of Evidence, 14 August 2019, p. 55.

⁴⁰⁶ Submission No. 31, Colony 47.

⁴⁰⁷ Submission No. 33, Shelter Tasmania, p. 11.

⁴⁰⁸ Transcript of Evidence, 13 August 2019, p. 17.

- 6.40 Ms Chugg also told the Committee a form of inclusionary planning existed in South Australia which helped to overcome ‘pockets of disadvantage’ that developed as a result of broadacre social housing developments:

It is a really good way of how to plan our cities so we do not get pockets of disadvantage and inter-growth throughout a community.⁴⁰⁹

- 6.41 Mission Australia also supported inclusionary zoning:

Affordable housing should be integrated into the planning system, including through inclusionary zoning and value capture mechanisms.⁴¹⁰

- 6.42 Anglicare pointed to research completed by UTAS Housing and Community Research Unit (HACRU), the Institute for the Study of Social Change (ISSC) and the Australian Housing and Urban Research Institute (AHURI) which supported inclusionary zoning:

Supporting affordable housing supply; inclusionary planning in new and renewing communities. This AHURI research looks at approaches in the UK, USA, South Australia (mandatory inclusionary zoning requirements) and New South Wales (voluntary and incentive-based planning mechanisms).

The construction of social housing pathways across Australia. This AHURI research looked at the influence of operational policies on social housing pathways and outcomes. It finds that several policies affecting social housing are based on managing the social housing wait lists rather than ensuring positive outcomes for households.

Social housing as infrastructure; rationale, prioritisation and investment pathway. This AHURI research quantified the benefits of social housing, tackled the perceptions of government budget constraints and provides a strategic vision for social housing.⁴¹¹

- 6.43 Holly Ewin considered that inclusionary zoning should be mandatory:

Inclusionary zoning – mandatory 20% on all new developments in the metropolitan/urban areas must be reserved and developed as affordable housing.⁴¹²

- 6.44 Ben Wilson, HIA Tasmania Vice-President, said he believed Community Housing Providers felt a responsibility to increase affordable housing supply:

⁴⁰⁹ Transcript of Evidence, 13 August 2019, p. 17.

⁴¹⁰ Submission No.7, Mission Australia.

⁴¹¹ Submission No. 19, Anglicare.

⁴¹² Australian Housing and Urban Research Institute (AHURI), 2017, *Understanding Inclusionary Zoning*, cited in Submission No. 3, Holly Ewin.

I think it is a whole-of-sector thing. There are many things to look at and explore around the delivery of affordable and social housing. They come back to land development and inclusionary zoning, which I am sure has been a topic that has been discussed here previously. I think the sector has a responsibility to be delivering on a whole range of housing to overcome the underinvestment in affordable and social housing over a long period of time, and I think the sector itself would agree that they feel a responsibility to be delivering in the social and affordable housing space.⁴¹³

- 6.45 The Committee heard, however, developers had concerns about inclusionary zoning, particularly in relation to return on investment. Peter Scott, President of the Property Council of Australia in Tasmania, commented:

Inclusionary zoning has been trialled in many countries around the world across many decades and the private sector has a particular view about the impacts of inclusionary zoning on the return on investment, ultimately, if we return it to economics. If you're asking the private sector, and we predominantly represent the private sector though we have government members, they would say, 'If I'm required to include inclusionary zoning in my development, what will be the bottom line?' or, 'If I'm incentivised to compensate for a lower return on that particular inclusionary unit, what is the broader impact of that requirement on the saleability of the other units within a particular development?'.⁴¹⁴

The property industry worldwide has always thought that is a problem for them in that it decreases the attractiveness of that other housing unless it's really well managed. Generally, it's really well managed either by having a diversity of development types not within a single development but within a particular zone. You talk about the rail corridor. Within that there could be a diversity of developments of every type addressing every tenure type, be it purchase or rental that allows for inclusionary zoning, but not on a development-by-development basis.⁴¹⁵

- 6.46 Simon Behrakis raised similar concerns:

The real question is how it is implemented, because having mandatory price limits on what can be built on those sites, and how much they can effectively be sold for, or placed, or however you want to say it, could limit what actually gets done on the area. If the limit on what somebody is allowed to sell or rent out a dwelling for is less than it is going to cost to build it, it is not going to get built. No one is going to build something to get less than what they paid for it. That needs to be considered in what the actual definition of what affordable housing is.⁴¹⁵

⁴¹³ Transcript of Evidence, 14 August 2019, p. 89.

⁴¹⁴ Transcript of Evidence, 14 August 2019, pp. 61-62.

⁴¹⁵ Transcript of Evidence, 14 August 2019, p. 50.

6.47 The Committee heard that inclusionary zoning requirements needed to be attractive to developers to ensure that developers could create more homes and that this required incentives to ensure that developers did not lose financially.

6.48 The Committee received evidence from The Constellation Project, which is a collaborative project involving the Australian Red Cross, Centre for Social Impact, Mission Australia and PwC Australia, and has developed a number of models to increase affordable housing supply, one of which is inclusionary zoning. The Project tested whether a 10% mandatory inclusionary zoning (MIZ) target would be financially viable for developers and operationally viable for community housing providers:

Two prototypes were produced:

1. *Developer feasibility model*
2. *Community Housing Provider operating model.*

These models demonstrate that a 10% Mandatory Inclusionary Zoning requirement can be financially viable for developers and Community Housing Providers. The models could be used and tailored for any new development to inform stakeholders ahead of policy, planning and investment decisions. They would help build the case for MIZ policy changes that can ultimately increase the pipeline of SAAAS housing over time.*

**SAAAS = Safe, Affordable, Appropriate, Accessible and Secure.⁴¹⁶*

6.49 The Constellation Project also note that height density requirements are important for ensuring financial viability for developers to build affordable housing.⁴¹⁷

6.50 Amy Hayashi, Strategy and National Business Development with Mission Australia Housing spoke to the Committee about the Constellation Project and inclusionary zoning and the need to find incentives to make it work:

... mandatory inclusion rezoning, using the planning system and using developers as a way to create more homes. That stream flipped the issue on its head and looked at a feasibility model that didn't cost the developers anything: how we could deliver more social and affordable housing in a development and what we need to change to make sure developers could deliver. There would be no hit to their bottom line so they would be more open to delivering this year on year as part of any regulative development. We looked at connecting supply and demand. That is looking at the homes that there are in the market right now and working with landlords and the usually smaller mum-and-dad investor landlords. We were looking at that cohort of landlords in understanding what it would take for them to rent their homes to people on lower income at either affordable or social rents, what kind of tax settings we

⁴¹⁶ Submission No. 12, the Constellation Project.

⁴¹⁷ Submission No. 12, the Constellation Project.

*might be able to change, what kind of other incentives there are so that, in the meantime and while we embark on our ambitious plan to build all these new homes, we have access to market and we have access to stock that is available today.*⁴¹⁸

- 6.51 AHURI noted “the major constraint to the use of the planning system for affordable housing is restrictive state legislation,” and that:⁴¹⁹

*... inclusionary zoning requirements have been implemented in only three jurisdictions, while planning concessions or density bonuses to secure affordable housing exist in four.*⁴²⁰

- 6.52 The Committee heard that other States have developed or are developing inclusionary zoning provisions within their planning schemes:

*South Australia - ... Of the Australian jurisdictions, South Australia has the most broad-based and consistently applied approach to affordable housing inclusion through the planning and residential development process. Implemented since 2005, when the South Australian Government announced a target of 12 per cent affordable housing for significant development sites, the target has been progressively introduced through local plan amendments and on major development sites when areas are rezoned for residential or higher density homes. State policy and local planning law now provide a framework for both a mandatory inclusionary zoning model to secure affordable housing in major new development and renewal contexts, as well as planning incentives and concessions to encourage affordable homes in contexts where it is not compulsory.*⁴²¹

*NSW - ... the focus in NSW has been on voluntary provisions to incentivize affordable supply. To this end, a suite of measures have been progressively introduced since 2005. Voluntary Planning Agreements (introduced under state planning law in 2005) are able to be negotiated when plans are amended or developments assessed, and can include contributions for affordable housing. At the time of introduction, the voluntary agreements were seen to be an alternative to the mandatory inclusionary zoning requirement that has applied to designated areas of inner Sydney (Pyrmont/Ultimo and Green Square) since the late 1990s... The voluntary approach was extended in 2009, with the introduction of State Environmental Planning Policy (Affordable Rental Housing) (ARHSEPP). The ARHSEPP introduced a density bonus for affordable housing as well as planning concessions to enable more affordable forms of market housing, including boarding houses and secondary dwellings.*⁴²²

⁴¹⁸ Transcript of Evidence, 15 August 2019, p. 48.

⁴¹⁹ Australian Housing and Urban Research Institute, *Supporting affordable housing supply: inclusionary planning in new and renewing communities – Inquiry into increasing affordable housing supply: evidence-based principles and strategies for Australian policy and practice*, AHURI Final Report No. 297, dated April 2018, p. 28.

⁴²⁰ *Ibid*, p. 27.

⁴²¹ *Ibid*, p. 31.

⁴²² *Ibid*, p. 37.

6.53 AHURI noted:

While NSW approaches have focused on affordable rental housing, most dwellings secured through the South Australian model are offered for sale to eligible moderate income earners. In the ACT, the leasehold system of land has been used to leverage affordable housing targets of between 15-20 per cent in new build and urban infill contexts, achieved via smaller allotments and building diversity typologies which reduce costs, and a 'and rent' scheme...

In Western Australia, there has been growing interest in the potential for local government to promote affordable housing... However, in practice this has been interpreted as provision for a diversity of dwelling types and sizes as well as the potential for local government to introduce voluntary development incentives for affordable housing... Restrictions limiting the use of ancillary dwellings, such as granny flats to family members, were relaxed in 2015... The East Perth Redevelopment Authority (now part of the Metropolitan Renewal Authority) has used inclusionary zoning on its redevelopment sites with an aim of generating 15 per cent affordable land or dwellings appropriate for those on low-to-moderate incomes.

Overall, the Affordable Housing Strategy in Western Australia encourages, but does not actively promote, any specific planning-based mechanisms to support affordable housing delivery by the private sector. Developments on government-owned or sold land or in partnership with government are required to produce a minimum of 15 per cent affordable land or dwellings... However, the WA Government has resisted formal inclusionary zoning approaches in favour of voluntary measures.⁴²³

6.54 In terms of outcomes of the various policies in place, AHURI considered that “The outcomes of Australia’s inclusionary planning schemes remain modest, in world terms”.⁴²⁴ AHURI commented:

- *Affordable housing supply outcomes through inclusionary planning mechanisms remain modest across much of Australia, reflecting the small number of schemes that are in place.*
- *The mandatory inclusionary housing scheme in operation in SA has contributed to a significant stream of affordable homes in that state, and has sustained high development industry support.*
- *The voluntary inclusionary incentives in NSW have gained support across sectors of the development industry, but take-up has been limited when considered in relation to total housing development, and affordable supply outcomes are limited and unclear.*
- *In comparison to local government in the UK and US, Australia’s local planning authorities have generally not yet established systematic approaches to measuring housing needs and analysing local housing*

⁴²³ Australian Housing and Urban Research Institute, *Supporting affordable housing supply: inclusionary planning in new and renewing communities – Inquiry into increasing affordable housing supply: evidence-based principles and strategies for Australian policy and practice*, AHURI Final Report No. 297, dated April 2018, pp. 30-31.

⁴²⁴ *Ibid*, p. 27.

market trends. They are also limited in their capacity to respond to local needs through inclusionary planning measures because of constraints in state planning law.

- The SA inclusionary approach has enabled CHPs to access land and the opportunity to purchase dwellings at below market rates in desirable locations. By contrast, in NSW CHPs have typically had to buy sites on the market, where they are potentially competing with developers of market schemes, or developers who will only dedicate a proportion of dwellings for affordable housing.⁴²⁵

Infill and increasing density of development

6.55 A concern raised by several witnesses was that in Tasmania, there exists a culture of unwillingness to accept changes relating to increased development. The Committee also heard there is a negative perception about infill developments and increases in housing density in some areas.

6.56 LGAT told the Committee that community opposition is a barrier to increasing the supply of infill and medium or high-density housing in Tasmania:

There is usually a perception that higher density development will result in a range of negative impacts and fundamentally alter the character of the local area. People worry about the impacts on parking, traffic, crime and property values. These fears often stem from past experiences or seeing the impacts of inappropriate and poorly designed infill and medium density development elsewhere.

In a Tasmanian context, community experience and therefore acceptance of apartment living, is not widespread. For example, much of Hobart's existing housing stock was built in an era when the 'traditional' household consisted of two parents and multiple children. As a consequence, housing supply in Hobart remains dominated by detached dwellings.⁴²⁶

6.57 As a result, LGAT considered greater support needs to be given to developers by the Tasmanian State Government in order to support such projects:

Achieving community acceptance of non-traditional housing responses requires a strategic and coordinated campaign. This should not be left to individual proponents to deliver, but rather a State Government led education program to:

- *Promote the benefits and importance of increased residential densities and mixed-use development;*
- *Address any fears and uncertainties; and*

⁴²⁵ Australian Housing and Urban Research Institute, *Supporting affordable housing supply: inclusionary planning in new and renewing communities – Inquiry into increasing affordable housing supply: evidence-based principles and strategies for Australian policy and practice*, AHURI Final Report No. 297, dated April 2018, p. 50.

⁴²⁶ Submission No. 20, Local Government Association of Tasmania, p. 13.

- Encourage community engagement in the preparation of inclusive, transparent, and future focused settlement planning.⁴²⁷

6.58 LGAT also commented:

Compact and mixed-use development patterns are key to both sustainability and affordability of housing in Tasmania. But instead of this occurring on the urban fringe and further expanding settlements, future development must occur via infill. Infill development involves new residential development on vacant or underutilised land within existing neighbourhoods and suburbs. The benefits of increased residential densities and mixed-used development that can result from infill development include:

*Reusing underutilised or unattractive properties and vacant land;
Improving the viability of local centres and facilitating a sense of community;
Fully utilising existing services and infrastructure; and
Increasing mobility and supporting alternative modes of transportation.*

Compact and infill development are more likely to be delivered when settlement strategies support infill development, when planning schemes are 'investment ready', meaning areas designated for infill development are already zoned for infill development, and when planning controls encourage good design outcomes.⁴²⁸

6.59 The Constellation Project's Amy Hayashi said it was looking to high density development as a solution in Tasmania:

... we took a high-density development in western Sydney as an example, just as something to run with. We want this model to be used in a variety of locations, looking at a variety of different needs. It's the intention of the Constellation to take this and turn it into a model that is specific for Tasmania and that can be used to help think through different kinds of scenarios.⁴²⁹

Other planning reforms

6.60 The Committee heard there were a number of other areas in which planning reform was required. LGAT commented the Tasmanian Government should consider the creation of development incentives for private landholders to develop sites with high levels of 'lot fragmentation', as a means of overcoming some planning hurdles in Tasmania:

This mechanism is regularly used by local planning authorities across NSW to incentivise the amalgamation of sites (often those located within neighbourhood centres) that suffer from high levels of lot fragmentation that restrict opportunities for renewal and mixed-use development.⁴³⁰

⁴²⁷ Submission No. 20, Local Government Association of Tasmania, p. 14.

⁴²⁸ Submission No. 20, Local Government Association of Tasmania.

⁴²⁹ Transcript of Evidence, 15 August 2019, pp. 49-50.

⁴³⁰ Submission No. 20, Local Government Association of Tasmania.

- 6.61 The Committee also heard there is a need for approval timeframes to be introduced into Tasmania's planning processes. The Property Council of Tasmania commented:

... the Property Council suggests the Tasmanian Government legislates for approval timeframes across all regulatory bodies involved in the planning and building process.

Navigating through the approval process is an unnecessarily difficult task for developers and without timeframes for the assessment of aspects such as detailed engineering designs, the process can become a long and drawn-out affair.⁴³¹

Findings

- 6.62 The Committee notes the concerns raised by a number of witnesses about the planning system in Tasmania and considers that these issues may be resolved with the finalization of the state-wide planning scheme.
- 6.63 The Committee finds that planning legislation restricts the ability of the planning system to facilitate the construction of more affordable housing.
- 6.64 The Committee finds there is substantial support from Community Housing Providers for the introduction of inclusionary zoning in Tasmania's planning system.
- 6.65 The Committee finds there is less support for inclusionary zoning from the private sector and notes that a number of witnesses argued incentives should be considered for the private sector to deliver more affordable and social housing.
- 6.66 The Committee notes that inclusionary zoning and/or density bonus schemes are in place in a number of Australian jurisdictions.
- 6.67 The Committee finds the Tasmanian Government needs to develop planning policy to facilitate more medium density housing projects.
- 6.68 The Committee finds that recent changes to planning processes in Tasmania have not required social housing outcomes to be achieved. Therefore, an increase in social housing supply cannot be ensured under current legislation.

⁴³¹ Submission No. 21, Property Council of Tasmania.

Recommendations

58. The Committee recommends amendments to the *Land Use Planning and Approvals Act 1993* and *Housing Land Supply Act 2018* to include definitions of social and affordable housing.
59. The Committee recommends amendments to the *Land Use Planning and Approvals Act 1993* and *Housing Land Supply Act 2018* to provide for inclusionary zoning in Tasmania's planning policies for all new housing developments to ensure continued sustainable increase in affordable housing supply.
60. The Committee recommends that residential planning standards (PD4.1) be reviewed to ensure the planning framework enables a greater array of affordable housing options, including infill housing, increased density and better design outcomes.

Strategic corridors

- 6.69 The Committee heard that transport and growth routes were being considered when strategic decisions about the locations of social housing developments were being made. The Tasmanian Government stated in its submission:

*\$300,000 over two years to jointly work with the Hobart City and Glenorchy City Councils on a strategy for urban renewal and activation of the Northern Suburbs Transit Corridor along the existing rail corridor, that builds on the work undertaken to date.*⁴³²

- 6.70 The Tasmanian Government's *Affordable Housing Strategy 2015-2025* also states:

*New affordable supply needs to be located in well serviced areas close to transport corridors and employment and education opportunities to support inclusive residential developments, affordable living and ageing in place.*⁴³³

... ..

*Residential developers should focus new residential developments close to primary transport corridors and build to universal design and liveability principles, where possible.*⁴³⁴

- 6.71 Tasmania's *Affordable Housing Action Plan 2019-2023* states:

⁴³² Submission No. 26, Tasmanian State Government.

⁴³³ Submission No. 26, Tasmanian State Government, attachment 1A.

⁴³⁴ Submission No. 26, Tasmanian State Government, attachment 1A.

Action 2.3 - Work with the Affordable Housing Working Group under the Hobart City Deal to review planning mechanisms that consider sensible densification in urban centres and along growth corridors⁴³⁵

- 6.72 Hon. Sue Hickey MP, Member for Clark, commented that greater attention should be given to increasing housing along the northern suburbs rail corridor:

The attention of the Government should also be focussed via the Greater Hobart Act in getting the rail corridor fully documented to allow an increase of housing along that corridor which has great access to existing services.⁴³⁶

- 6.73 Likewise, Matthew Pollock, Executive Director, Master Builders' Association of Tasmania, called for an increase in infrastructure funding for developments that would be located in a major growth corridor:

Greater funding of upgrading utilities infrastructure, particularly in major growth corridors slated for new residential development. One thing that we've seen in the past is that new housing construction activity has been held up by delays in the provision of infrastructure.⁴³⁷

- 6.74 One novel suggestion for the use of the Northern Suburbs rail corridor was presented by Gypsy Love:

Why not put movable sleeper carriages on it also site dongas as construction sites use for kitchens and conveniences. Build temporary crisis accommodation and get people out of the cold.⁴³⁸

Findings

- 6.75 The Committee finds strong evidence to support new well-planned housing development along strategic growth corridors.
- 6.76 The Committee notes that the Tasmanian Government advertised for a consultant to examine possible options for Hobart's underutilised Northern Suburbs rail corridor on 6 October 2019. The report is due for completion in mid-2020.
- 6.77 The Committee also notes that the Hobart City Deal includes a commitment to 'activate' the Northern Suburbs Transit Corridor.⁴³⁹

⁴³⁵ Submission No. 26, Tasmanian State Government, attachment 1C.

⁴³⁶ Submission No. 35, Hon. Sue Hickey MP, Member for Clark.

⁴³⁷ Submission No. 34, Master Builders Tasmania.

⁴³⁸ Submission No. 27, Gypsy Love.

⁴³⁹ Australian Government Department of Infrastructure, Transport, Cities and Regional Development (2019), *Hobart City Deal Implementation Plan*

- 6.78 Accordingly, the Committee considers that all levels of government need to work together to increase housing density to supply affordable housing along strategic corridors such as the Northern Suburbs transport corridor.
- 6.79 The Committee finds that new housing developments in strategic growth corridors need to be well planned and built to universal design and liveability principles with a focus on access to services, employment, sustainability and amenity.

Recommendations

- 61. The Committee recommends the Tasmanian Planning Policies, specifically the *Settlement and Liveable Communities Planning Policy*, incorporates principles of universal design, liveability and infill of strategic growth corridors to create successful communities.**

APPENDICES

Appendix A - Commonwealth-State Housing Debt Waiver

AGREEMENT BETWEEN THE COMMONWEALTH AND TASMANIA – WAIVER OF OUTSTANDING HOUSING RELATED LOANS

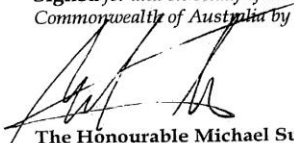
To support the Tasmanian Government's efforts to reduce homelessness and increase access to social housing, the Commonwealth agrees to waive the Tasmanian Government's outstanding loans that relate to housing. This agreement will support the Tasmanian Government and local government initiatives to improve affordable housing outcomes, and ensure housing supply keeps pace with population and economic growth.

Details of this debt waiver are as follows:

1. Under the *Public Governance, Performance and Accountability Act 2013*, the Finance Minister agrees to waive the total outstanding balance of Tasmania's loans, as at the date of this agreement, owed to the Commonwealth under the Commonwealth-State Housing Agreements and Loan Council – Housing Nominations (**housing related loans**).
 - 1.1. The Commonwealth-State Housing Debt outstanding at 30 June 2019 was \$157.6 million. The current repayment schedule for the housing related loans that would result in the debt being fully repaid in the 2041-42 financial year is attached at [Appendix A](#).
2. From 2019-20 to 2041-42, the Tasmanian Government agrees to redirect the annual expenditure that would otherwise be dedicated to interest and principal repayments of the housing related loans for each financial year (**additional annual funds**), to programs that increase access to social housing, reduce homelessness, and improve housing supply (including by facilitating changes to planning and zoning) across Tasmania.
 - 2.1. The Tasmanian Government agrees to use the additional annual funds, equivalent to the total repayments referred to in Appendix A, to increase expenditure under Tasmania's Affordable Housing Action Plans 2015-2023 and the subsequent affordable housing strategies that Tasmania develops to fulfil its obligations under the *Federal Financial Relations Act 2009* over the term of this agreement.
 - 2.2. The Tasmanian Government agrees to consider and pursue reforms to facilitate the necessary local government planning and zoning reforms to support housing supply targets consistent with future population and economic growth projections.
3. At the end of each financial year, the Tasmanian Government agrees to publicly report on the key actions and outcomes that have been undertaken with the additional funds consistent with current reporting arrangements under the National Housing and Homelessness Agreement.
 - 3.1. The additional annual funds will be detailed in Tasmania's Budget papers in each financial year from 2020-21 to 2041-42, along with an explanation of how the funds will be spent in accordance with the strategies outlined in subclause 2.1.

4. Subject to Tasmania meeting the requirements set out in clauses 2 and 3 of this agreement, the Commonwealth agrees that this agreement will not be offset, either partially or fully, by a decrease in housing related or other grant funding to Tasmania.
5. The Commonwealth Treasurer has agreed to direct the Commonwealth Grants Commission to exclude the amount waived under this agreement from its calculation of the GST revenue sharing relativities. This agreement is conditional on the Commonwealth Treasurer confirming this in writing to Tasmania's Treasurer.

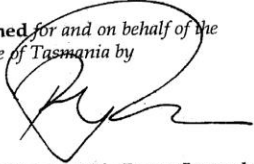
Signed for and on behalf of the
Commonwealth of Australia by



The Honourable Michael Sukkar MP
Minister for Housing and Assistant Treasurer

8 1 9 /2019

Signed for and on behalf of the
State of Tasmania by



The Honourable Roger Jaensch MP
Minister for Housing

8 1 9 /2019

Appendix B - List of Submissions

The Royal Agricultural Society of
Tasmania
Richard Clark
Holly Ewin
Real Estate Institute of Tasmania
Housing Industry Association
Women's Health Tasmania
Mission Australia
Tenants' Union of Tasmania
Hobart Doorways Centre, the Salvation
Army
Harcourts St Helens
St Helen's Neighbourhood House
Association
The Constellation Project
Migrant Resource Centre Tasmania
Centacare Evolve Housing &
CatholicCare Tasmania
Qapital Investments
Hobart City Mission
Simon Behrakis
The Salvation Army Tasmania
Anglicare Tasmania
Local Government Association of
Tasmania
Property Council of Australia
Wendy Fowler

Karinya Young Women's Service
Anonymous
Council of the Ageing
Tasmanian Government
Gypsy Love
Housing with Dignity Reference
Committee
Youth Network of Tasmania
Airbnb Australia
Colony 47
Laurel House
Shelter Tasmania Inc.
Master Builders Association Tasmania
Hon. Sue Hickey MP, Member for Clark
TasCOSS (Tasmanian Council of Social
Service)
Tasmanian Conservation Trust

Appendix C - Minutes of the Committee

11 June 2019

The Committee met in Committee Room 3, Parliament House, Hobart at 1.06 p.m.

Members Present:

Ms Butler
Ms O'Connor
Ms Rylah
Ms Standen
Mr Tucker

ORDER OF THE HOUSE

The Secretary took the chair and the Order of the House of Assembly was noted as read

ELECTION OF CHAIR

The Secretary called for nominations, Ms Butler nominated Ms Standen, who consented to the nomination.

Mr Tucker nominated Ms Rylah, who consented to the nomination.

A ballot was then conducted in accordance with Standing Order No. 10 of the House of Assembly, and the result was –

Ms Standen – 4 votes

Ms Rylah– 1 votes

The Secretary declared Ms Standen elected as Chair.

Ms Standen took the Chair.

ELECTION OF DEPUTY CHAIR

The Chair called for nominations, Ms Butler nominated Ms O'Connor, who consented to the nomination.

There being no other candidates nominated, the Chair declared Ms O'Connor elected as Deputy Chair.

TENTATIVE PROGRAM

Resolved, That the Tentative Program for the taking of evidence and the preparation, consideration, production and tabling of the Committee's report be agreed to, noting that an extension may be required (Ms Standen)

ADVERTISEMENT

Resolved, the draft advertisement having been previously circulated by the Secretary be agreed to and placed in the three major Tasmanian newspapers on Saturday 15 June 2019 (Ms Standen)

ADDITIONAL RESEARCH SUPPORT

Noted, that the Parliamentary Research Service are currently preparing a briefing paper in relation to the Inquiry's terms of reference, and that additional research support is available to the committee

WITNESSES AND SUBMISSIONS TO THE COMMITTEE

Ordered, that a letter be sent to each of the following individuals and organizations seeking a submission to the Inquiry, and that the deadline for submissions be 19 July 2019:

Airbnb Tasmania Manager; Anglicare; Annie Kenney; Bethlehem House; Carers Tasmania; Centacare (Tasmania) City Mission (Hobart); City Mission (Launceston); Colony 47; Common Ground; Community Housing Industry Association; Council of the Ageing (Tasmania); Country Womens Association; Disability Voices; Housing Choices Tasmania; Eccleston, R., Warren, N., Verdouw, J., Flanagan, K., and Eslake, S. (authors of A blueprint for improving housing outcomes in Tasmania); Housing Industry Association; Jireh House; Laurel House; Karinya Young Women's Services; Magnolia Place Women's Shelter; Master Builders Association (Tasmania); Mates 4 Mates (Tasmania); McCombe House; Mental Health Council of Tasmania; Migrant Resource Centre Mission Australia (Tasmania); Oak Possability; Pathways Tasmania; RAW; Property Council of Tasmania; Real Estate Institute of Tasmania; Royal Agricultural Society of Tasmania; RSL Tasmania; Salvation Army; Shelter Tasmania; TasCOSS; Tasmanian Aboriginal Corporation; Tasmanian Regional Aboriginal Communities Alliance; Tasmanian State Government; Tenants Union of Tasmania; University of Tasmania (Accommodation Services); Youth, Family & Community Connections; Youth Network of

Tasmania; Warrawee Homeless Shelter; Wilson Homes. (Mr Tucker)

CHAIR TO BE THE SPOKESPERSON

Resolved, that the Chair be the spokesperson in relation to the operations of the Committee. (Ms O'Connor)

PRESS STATEMENTS

Resolved, that unless otherwise ordered, press statements on behalf of the Committee be made only by the Chair after approval in principle by the Committee or after consultation with Committee Members. (Ms O'Connor)

At 1.55 p.m. the Committee adjourned until 31 July 2019.

31 July 2019

The Committee met in Committee Room 3, Parliament House, Hobart at 1.08 p.m.

Members Present:

Ms Butler
Ms O'Connor
Ms Rylah
Ms Standen
Mr Tucker

MINUTES

The minutes of the meeting held on 11 June last were read and confirmed. (Mr Tucker)

SUBMISSIONS

Ordered, that the following submissions be received and published in full, with the personal contact details of individuals being removed (Mr Tucker):

1. Royal Agricultural Society of Tasmania
2. Richard Clark
3. Holly Ewin
4. REIT
5. HIA
6. Women's Health Tasmania
7. Mission Australia
8. Tenant's Union of Tasmania
9. Salvation Army Australia
10. Lesa Whittaker – Harcourts St Helens
11. St Helens Neighbourhood House
12. The Constellation Project
13. Migrant Resource Centre
14. Centacare Evolve Housing & Catholic Care Tasmania
15. Qapital Investments
16. Hobart City Mission
17. Simon Behrakis
18. Salvation Army Tasmania
19. Anglicare
20. Local Government Association of Tasmania
21. Property Council of Australia
22. Wendy Fowler
23. Karinya Young Women's Service
25. COTA Tasmania
26. Tasmanian Government

28. Housing with Dignity Reference Committee
29. Youth Network of Tasmania
30. Airbnb Australia
31. Colony 47
32. Laurel House
33. Shelter Tasmania

Ordered, that the following submissions be received and published in part, with the personal contact details of individuals being removed (Mr Tucker):

24. Name withheld – published with personal identifying information redacted;

The Committee noted that TasCoss had sought an extension to make a submission by 16 August.

Resolved, that TasCoss be advised they could make a late submission and encouraged to provide it to the Committee prior to 13 August and that no late submissions be received after the hearings had concluded. (Mrs Rylah)

CORRESPONDENCE RECEIVED

The Committee considered the correspondence received from Stephen Cameron, dated 12 July 2019.

Resolved, that the correspondence be noted (Mr Tucker)

PUBLIC HEARINGS

Resolved, that the Committee hold public hearings in Hobart on 13, 14 and

15 August and on 20 August in Launceston. (Mr Tucker)

Ordered, that the following witnesses be invited to attend before the Committee at the public hearings:

1. Royal Agricultural Society of Tasmania
2. Richard Clark
3. Cr. Holly Ewin
4. REIT
5. HIA
6. Women's Health Tasmania
7. Mission Australia
8. Tenant's Union of Tasmania
9. Salvation Army Australia
10. Lesa Whittaker – Harcourts St Helens
11. St Helens Neighbourhood House
12. The Constellation Project
13. Migrant Resource Centre
14. Centacare Evolve Housing & Catholic Care Tasmania
15. Qapital Investments
16. Hobart City Mission
17. Alderman Simon Behrakis
18. Salvation Army Tasmania
19. Anglicare
20. Local Government Association of Tasmania
21. Property Council of Australia
22. Wendy Fowler
23. Karinya Young Women's Service
24. COTA Tas.
25. Peter White, Chief Executive, Housing Tasmania
26. Gypsy Love
27. Housing with Dignity Reference Committee
28. Youth Network of Tasmania
29. Airbnb Australia
30. Colony 47
31. Laurel House
32. Shelter Tasmania

33. TasCoss
34. Richard Eccleston and Kathleen Flanagan (UTAS)
35. Bethlehem House.
(Mr Tucker)

Ordered, that a witness be invited to appear before the Committee in camera. (Mr Tucker)

MEDIA RELEASE

Resolved, that a media release be issued in advance of the public hearings. (Mrs Rylah)

At 1.39 p.m. the Committee adjourned until 13 August 2019.

8 August 2019

The Committee met in Committee Room 3, Parliament House, Hobart at 9.30 a.m.

Members Present:

Ms Butler
Ms O'Connor
Ms Rylah
Ms Standen
Mr Tucker

MINUTES

The minutes of the meeting held on 31 July last were read and confirmed. (Mr Tucker)

NEW TERM OF REFERENCE

The Committee noted the new term of reference agreed to by the House:

“(k.a) regulation of rent price increases, with particular reference to the A.C.T. model”.

Ordered, That:

(1) Witnesses who will be attending before the Committee be advised of the additional term of reference prior to giving evidence; and

(2) All persons/organisations who have made submissions to the inquiry be advised of the additional term of reference and invited to provide supplementary submissions by Friday, 23rd August. (Ms Butler)

PUBLIC HEARING/WITNESSES

The Committee noted that a request had been received from Master Builders Tasmania to make a late submission and appear before the Committee.

SUBMISSIONS

Resolved, That Master Builders be permitted to make a late submission and appear as a witness before the Committee. (Mrs Rylah)

The Committee discussed whether the public hearings should be broadcast.

Ordered, that the public hearings of the Committee held in Hobart be broadcast through the Parliament’s website.

At 9.43 a.m. the Committee adjourned until 13 August 2019.

13 August 2019

The Committee met in Committee Room 1, Parliament House at 9.00 a.m.

Members Present:
Ms Standen (Chair)
Ms Butler
Ms O’Connor
Mrs Rylah
Mr Tucker

PUBLIC HEARING

Peter White, Chief Executive Housing Tasmania and Jessemy Stone, Director, Housing Programs, Housing Tasmania were called. The witnesses made the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

Suspension of sitting 9.57 a.m. to 9.58 a.m.

Pattie Chugg, CEO and Dr Cynthia Townley, Policy Officer, Shelter Tasmania were called. The witnesses took the Statutory Declaration and were examined by the Committee in public

Ms Chugg tabled the document:
‘Inclusionary Zoning: 97% of survey

respondents agree that Act is needed to improve Housing Affordability’.

The witnesses withdrew.

SUBMISSIONS

Ordered, that the following submissions be received and published in full:

No. 34 Master Builders Tasmania;

No. 35 Hon. Sue Hickey MP, Member for Clark;

No. 36 TasCOSS.

(Ms O’Connor)

PUBLICATION OF TRANSCRIPT

Ordered, that the transcripts of all the public hearings of the Committee be published. (Ms O’Connor)

PUBLIC HEARING

Ordered, That Ms Hickey be invited to appear before the Committee. (Ms O’Connor)

Ordered, That Tony Walsh be invited to appear before the Committee in Launceston. (Mrs Rylah)

Suspension of sitting 11.08 a.m. to 11.29 a.m.

Scott Gadd, Chief Executive Officer, Royal Agricultural Society of Tasmania was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Dr Jed Donoghue, Housing and Homelessness State Manager, the Salvation Army was called. The witness took the Statutory Declaration and was examined by the Committee in public.

Suspension of sitting 1.05 p.m. to 2.01 p.m.

Quinten Villanueva, Qapital Investments was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Noel Mundy, General Manager, Housing and Community Services; Louise Bieser, State Manager, Housing Connect and Supported Residential Services, Rebekka Gale, Youth Support Worker, Trinity Hill and Margie Law, Policy Analyst, Anglicare were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

Suspension of sitting 3.37 p.m. to 3.39 p.m.

Mark Berry, Chief Executive Officer and Tony Collidge, President, Real Estate Institute of Tasmania were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

Kym Goodes, CEO and Dr Charlie Burton, Manager Policy, TasCOSS, were called. The witnesses took the Statutory

Declaration and were examined by the Committee in public.

The witnesses withdrew.

At 5.06 p.m. the Committee adjourned until 8.15 a.m. Wednesday, 14 August 2019.

14 August 2019

The Committee met in Committee Room 1, Parliament House at 8.15 a.m.

Members Present:

Ms Standen (Chair)

Ms Butler

Ms O'Connor

Mr Tucker

Apologies:

Mrs Rylah

PUBLIC HEARING

Hon. Sue Hickey MP was called and was examined by the Committee in public.

The witness withdrew.

Kate Kelly and Alderman Damon Thomas, Housing with Dignity Reference Committee were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

Mr Kelly tabled a supplementary submission.

Mr Thomas tabled documents entitled:

(1) 'Housing rights are human rights: Summary – Social and Affordable Housing Strategy and Action Plan 2018-25', Cardinia Shire Council February 2019; and

(2) 'Housing Affordability Report – December Quarter 2018, Released June 2019', CoreLogic.

The witnesses withdrew.

Meredith Barton, Principal Solicitor and Alex Bomford, Solicitor, Tenant's Union of Tasmania were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

Alderman Simon Behrakis was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 11.21 a.m. to 11.34 a.m.

Brian Wightman, Tasmanian Executive Director, Property Council of Australia and Peter Scott, President of the Property Council of Australia, were called. The witnesses took the Statutory Declaration and was examined by the Committee in public.

The witnesses withdrew.

Stephanie K Meikle, CEO Bethlehem House, was called. The witnesses took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

The Committee considered the request by the Hon. Sue Hickey MP, Member for Clark, to provide a revised submission in place of her original submission.

Ordered, that the motion agreed to on Tuesday, 13 August 2019 to receive and publish the submission of the Hon. Sue Hickey MP, Member for Clark be rescinded. (Ms O'Connor)

Ordered, that the revised submission of the Hon. Sue Hickey MP, Member for Clark, be received and published. (Ms Butler)

Suspension of sitting 1.18 p.m. to 2.03 p.m.

Ben Wilson, Director of Housing, CatholicCare and CEO of Centacare Evolve and Andrea Witt, General Manager of Housing and Homelessness were called. The witnesses took the Statutory Declaration and was examined by the Committee in public.

The witnesses withdrew.

Stuart Collins, Executive Director HIA and Ben Wilson, HIA Tasmanian Vice-President were called. The witnesses took the Statutory Declaration and was examined by the Committee in public.

The witnesses withdrew.

Suspension of sitting 3.34 p.m. to 3.37 p.m.

Alison O'Neill, Chief Executive Officer, Migrant Resource Centre Tasmania was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Sue Leitch, Chief Executive Officer and John Pauley, Vice-President, COTA Tasmania were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

Ms Leitch tabled the following documents:

(1) 'What sort of housing do older Australians want and where do they want to live?', by Amity James, Sharon Parkinson, Steven Rowley and Wendy Stone, published in The Conversation online journal; and

(2) 'Older Women's Risk of Homelessness: Background Paper: Exploring a growing problem', April 2019, Australian Human Rights Commission.

The witnesses withdrew.

Danny Sutton, Chief Executive, and Didi Okwechime, Housing Solutions Manager, Colony 47 were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

At 5.51 p.m. the Committee adjourned until 8.15 a.m. Thursday, 15 August 2019.

15 August 2019

The Committee met in Committee Room 1, Parliament House at 8.15 a.m.
Members Present:

Ms Standen (Chair)
Ms Butler
Ms O'Connor
Mrs Rylah (by phone)
Mr Tucker

PUBLIC HEARING

Tania Hunt, CEO and Jo Horton, Project and Policy Officer, Youth Network of Tasmania were called and was examined by the Committee in public.

The witnesses withdrew.

John Stuble, CEO. Hobart City Mission was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 9.46 a.m. to 9.49 a.m.

Councillor Holly Ewin was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew

Dr Katrena Stephenson, CEO, and Dion Lester, Policy Director, Local Government Association Tasmania were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew.

Suspension of sitting 11.18 a.m. to 11.38 a.m.

Amy Hayashi, Mission Australia Housing and Rosalie Wilkie, Partner Pricewaterhouse Coopers, the Constellation Project were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew

James Toomey, CEO, Mission Australia, Amy Hayashi, Mission Australia Housing, and Jurek Stopczynski, Regional Leader Tasmania, Mission Australia were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

The witnesses withdrew

Ordered, that the submission from the Tasmanian Conservation Trust Inc. be received and published in full (Ms O'Connor)

Ordered, That Peter McGlone from the Tasmanian Conservation Trust be invited to give evidence in Launceston. (Ms O'Connor)

The Committee noted the email received from Chris Merridew requesting to appear before the Committee to give evidence.

Resolved, that while no new hearing dates would be set for Hobart that Mr Merridew be permitted to make a late submission and that any late submissions received while the Committee was receiving evidence would be accepted. (Ms Standen)

Ordered, That Matthew Pollock, Executive Director, Master Builders

Tasmania be reinvited to give evidence by phone in Launceston. (Ms Butler)

The Committee considered the evidence given by Hon. Sue Hickey MP, Member for Clark, in the hearing on 14 August in relation to her comments that she had asked for her original submission to be withdrawn.

The Committee agreed to reconsider the matter after the transcript was available.

Suspension of sitting 1.29 p.m. to 2.02 p. m.

Patricia O'Duffy, Manager, St Helens Neighbourhood House Association was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew

Ms Butler withdrew at 2.48 p.m.

Richard Clark was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 3.19 p. m to 3.24 p.m.

Professor Richard Eccleston, Director, Institute for the Study of Social Change, Dr Kathleen Flanagan, Deputy Director and Dr Julia Verdouw, Research Fellow, Housing and Community Research Unit, School of Social Science, UTAS were called. The witnesses took the Statutory Declaration and were examined by the Committee in public.

Dr Flanagan tabled the following documents:

(1) 'Social housing as infrastructure: rationale, prioritisation and investment pathway – Executive Summary', Australian Housing and Urban Research Institute, June 2019;

(2) 'A conceptual analysis of social housing as infrastructure – Executive Summary', Australian Housing and Urban Research Institute, February 2019;

(3) 'The business case for social housing as infrastructure – Executive Summary', Australian Housing and Urban Research Institute, May 2019;

(4) 'Social housing as infrastructure: an investment pathway – Executive Summary', Australian Housing and Urban Research Institute, November 2018;

(5) 'Social housing as infrastructure: an investment pathway', Final Report No. 306, Australian Housing and Urban Research Institute, November 2018.

Dr Verdouw tabled the following document:

'Insight Eight – Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform', Julia Verdouw and Richard Eccleston, Institute for the Study of Social Change, University of Tasmania.

The witnesses withdrew

Suspension of sitting 4.32 p.m. to 4.42 p.m.

Resolved, That Ms Kyle's support person be permitted to attend the in camera hearing. (Ms O'Connor)

Rachel Kyle was called. The witness took the Statutory Declaration and was examined by the Committee in camera.

Ms Kyle tabled a number of documents as a supplementary submission.

The witness withdrew.

The Committee considered the need to hear from Professor Eccleston, Dr Flanagan and Dr Verdouw.

Ordered, That the Committee invite Professor Eccleston, Dr Flanagan and Dr Verdouw to re-appear before it on 3, 4 or 5 September from 1 pm to 2 pm.

At 5.41 p.m. the Committee adjourned until 2.00 p.m. Tuesday, 20 August 2019.

20 August 2019

The Committee met in the Conference Room, Henty House at 2.07 p.m.

Members Present:

Ms Standen (Chair)

Ms Butler

Ms O'Connor

Mrs Rylah (by phone)

Mr Tucker

PUBLIC HEARING

Ria Brink and Lesley Ikin Karinya Young Women's Service, were called. The witnesses made the Statutory

Declaration and were examined by the Committee in public.

The witnesses withdrew.

Suspension of sitting 2.50 p.m. to 2.52 p.m.

Wendy Fowler was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 3.31 p.m. to 3.34 p.m.

Justine Brooks, Chief Executive Officer, Laurel House was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 4.17 p.m. to 4.28 p.m.

Tony Walsh was called. The witness took the Statutory Declaration and was examined by the Committee in public.

The witness withdrew.

Suspension of sitting 5.17 p.m. to 5.23 p.m.

The Committee considered the need to reschedule the planned appearance before the Committee of Peter McGlone, Director, Tasmanian Conservation Trust Inc.

Ordered, that the Committee invite Mr McGlone to appear on 4 September from 1.45 p.m. to 2.30 p.m.

Matthew Pollock, Executive Director,
Master Builders

Tasmania, was called and appeared by
phone. The witness took the Statutory
Declaration and was examined by the
Committee in public.

The witness withdrew.

Resolved, that the Chair write to
Neighbourhood Houses Tasmania,
asking them to provide any observations
or information, within each
neighbourhood house catchment area,
on housing availability or housing
affordability. (Ms Butler)

At 6.15 p.m. the Committee adjourned
until 1.00pm, Wednesday 4 September
2019.

4 September 2019

The Committee met in Committee
Room 1, Parliament House at 1.00 p.m.

Members Present:
Ms Standen (Chair)
Ms O'Connor
Mr Tucker

Apologies:
Ms Butler
Mrs Rylah

PUBLIC HEARING

Professor Richard Eccleston, Director,
Institute for the Study of Social Change;
Dr Kathleen Flanagan, Deputy Director
and Dr Julia Verdouw, Research Fellow,

Housing and Community Research Unit
were called.

The witnesses took the Statutory
Declaration and were examined by the
Committee in public.

The witnesses withdrew.

Peter McGlone, Director, Tasmanian
Conservation Trust was called. The
witness took the Statutory Declaration
and was examined by the Committee in
public.

The witness withdrew.

At 2.27 p.m. the Committee adjourned
until 12.30pm on Monday 9 September
2019.

24 September 2019

The Committee met in Committee
Room 3, Parliament House at 1.09 p.m.

Members Present:
Ms Standen (Chair)
Ms O'Connor
Mr Tucker
Ms Butler
Mrs Rylah

MINUTES

The minutes of the meetings held on
8,13,14,15, and 20 August and 4
September last be read and confirmed
as a true and accurate record (Ms
Butler).

MANAGEMENT OF THE EVIDENCE OF THE MEMBER FOR CLARK, HON. SUE HICKEY MP'

The Committee resolved that the Chair would write to the Member for Clark, Hon. Sue Hickey MP advising her of the process of making a submission to a Parliamentary Committee. (Ms Butler)

CORRESPONDENCE

The Committee resolved to table and publish the correspondence from Councillor Anna Reynolds, the Lord Mayor of Hobart; Mr. Robert Rex and Dr. Jed Donoghue, State Manager, Housing & Homelessness Tasmania, the Salvation Army. (Mr Tucker)

The Committee resolved to note the correspondence from Mr. Tony Walsh. (Mr Tucker)

EXTENSION OF REPORTING DATE

The Committee resolved to extend the reporting date to 28 November 2019 (Ms O'Connor)

ANY OTHER MATTERS

That the Chair write to the Minister for Housing regarding the Commonwealth Housing Estate Debt Waiver, requesting Housing Tasmania to provide further written evidence about how the money will be allocated, including the increase on housing supply over the course of the agreement and any other matters

incidental thereto, including responding to any evidence presented to the Committee. (Ms O'Connor)

At 1.38 p.m. the Committee adjourned until 9.00pm on Monday 18 November 2019.

19 November 2019

The Committee met in Committee Room 3, Parliament House at 9.15 a.m.

Members Present:

Ms Standen (Chair)

Ms O'Connor

Mr Tucker

Ms Butler

Mrs Rylah (by teleconference)

MINUTES

The minutes of the meetings held on 24 September last be read and confirmed as a true and accurate record. (Ms Butler)

CORRESPONDENCE

The Committee resolved to note the correspondence from Ms Bec Brown. (Ms O'Connor)

CONSIDERATION OF DRAFT REPORT

The Chair submitted her draft report, which, having been previously circulated was taken as being read.

The Committee agreed to amend Chapter 1.

Paragraph 1.1 amended, put and agreed to.

Paragraph 1.2 amended, put and agreed to.

Paragraph 1.3 amended, put and agreed to.

Paragraph 1.4 put and agreed to.

Paragraph 1.5 amended, put and agreed to.

Paragraphs 1.6-1.7 agreed to.

Paragraph 1.8 amended, put and agreed to.

Paragraphs 1.9-1.12 agreed to.

Paragraph 1.13 amended, put and agreed to.

Paragraphs 1.14-1.15 agreed to.

Paragraph 1.16 amended, agreed to.

Chapter 1 amended, put and agreed to.

The Committee agreed to amend Chapter 2.

Paragraphs 2.1-2.3 put and agreed to.

Paragraph 2.4 amended, put and agreed to.

Paragraphs 2.5-2.9 put and agreed to.

The Committee agreed to amend the order of Chapter 2, by moving sub section “2.3 Public Housing Stock”, to before sub-section “2.1 The impact of

population growth and market developments on housing supply”.

The Committee returned to the body of Chapter 2

Paragraph 2.63 amended, put and agreed to.

The Committee agreed to delete paragraph 2.64:

The Tenants’ Union of Tasmania then commented further on regulations, suggesting;

In particular, we strongly recommend:

Use of investment properties for short-stay accommodation to be prohibited within Greater Hobart and other areas where the impact on local communities has been detrimental;

And outside Greater Hobart, use of investment properties for short stay accommodation to be restricted to 60 days per annum;

And hosts to be required to register their listing with Government, and be permitted only one listing at any one time;

And CBOS be given the power to penalise hosts, providers or guests that do not comply with regulations, and/or cause a nuisance to neighbours.

The deletion of paragraph 2.64 put and agreed to.

Paragraphs 2.65-2.77 put and agreed to.

New Paragraph X proposed to be inserted after Paragraph 2.77:

The Committee notes the UTAS Institute for the Study of Social Change report, Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform provides preliminary data on the short stay sector and puts forward recommendations for stronger regulation, including caps on visitor nights and temporary freezes on new listings of entire dwellings.

New paragraph X put and agreed to.

New paragraph XX proposed to be inserted after Paragraph 2.77:

The Committee finds the short-stay accommodation sector is in need of greater regulation, to minimise impacts on affordable housing supply.

The new paragraph XX put and agreed to.

Paragraph 2.80 put and agreed to.

Paragraph 2.81 amended, put and agreed to.

Paragraphs 2.82-2.83 put and agreed to.

Paragraph 2.84 amended, put and agreed.

The Committee agreed to amend Recommendation 1, to insert “affordable” after “more”, and leave out “and increase community housing providers stock level”.

Recommendation 1 amended, put and agreed to.

The Committee agreed to leave out Recommendation 2:

The committee recommends that the Government with consultation with Community Housing Providers consider further transfer of management of housing stock linked to KPI's to increase stock (for example, for every three additional properties that are transferred for management, one additional home to be constructed by the CHP).

Recommendation 2 omitted and agreed to.

Recommendation 3, amended, put and agreed to.

Section 2.3 as amended, agreed to.

The Committee reconsidered Section 2.1

Paragraphs 2.10-2.14 put and agreed to.

Paragraph 2.15 amended, put and agreed to.

Paragraph 2.16 amended, put and agreed to.

Paragraphs 2.17-2.19 put and agreed to.

Paragraph 2.20 amended, put and agreed to.

The Committee agreed to amend the style of the report, to omit titles of individuals after they have been introduced for the first time in any chapter.

Paragraph 2.21 amended, put and agreed to.

Paragraphs 2.22-2.26 put and agreed to.

Paragraph 2.27 amended, put and agreed to.

Paragraph 2.28 amended, put and agreed to.

Paragraph 2.29 amended, put and agreed to.

Paragraph 2.30 amended, put and agreed to.

Paragraph 2.31 amended, put and agreed to.

Paragraphs 2.32-2.33 put and agreed to.

The Committee considered Paragraph 2.34 and agreed to make general formatting changes, turning each dot point into individual paragraphs.

Paragraph 2.34 amended, put and agreed to.

The Committee agreed to insert a new paragraph X after Paragraph 2. 34:

The Committee finds that rising house prices and low wage growth have led to less Tasmanians being able to afford to purchase their own home. This results in more people looking to rent than previously.

Paragraph X put and agreed to.

The Committee agreed to insert a second new paragraph XX after Paragraph 2. 35:

The Committee finds that there is a lack of evidence based understanding of the scale and scope of the challenges of housing affordability and availability

and there is a need for better long term planning to address the issue.

Paragraph XX put and agreed to.

The Committee agreed to insert a new paragraph XXX after Paragraph 2.35:

Accordingly the Committee considers there is a need for a long-term plan with evidence based policy governing how to deal with housing affordability and availability, encompassing population growth strategy, infrastructure, social services and tourism.

Paragraph XXX put and agreed to.

The Committee agreed to insert a new paragraph XXXX after Paragraph 2.35:

The Committee finds that UTAS has a social and economic responsibility to invest in adequate accommodation for its increasing domestic and international student population.

Paragraph XXXX put and agreed to.

The Committee considered the Recommendations for Section 2.1.

Recommendations 1-2 put and agreed to.

Recommendation 3 amended, put and agreed to.

Recommendation 4 amended, put and agreed to.

Recommendation 5 amended, put and agreed to.

Recommendation 6 amended, put and agreed to.

Section 2.1 as amended, agreed to.

Paragraph 2.35 amended, put and agreed to.

Paragraph 2.36 amended, put and agreed to.

Paragraph 2.37 put and agreed to.

Paragraph 2.38 amended, put and agreed to.

Paragraph 2.39 amended, put and agreed to.

Paragraphs 2.40-2.45 put and agreed to.

Paragraph 2.46 amended, put and agreed to.

Paragraphs 2.47-2.48 put and agreed to.

Paragraph 2.49 amended, put and agreed to.

Paragraphs 2.50-2.59 put and agreed to.

Paragraphs 2.60-2.70 put and agreed to.

The Committee agreed to include the titles of witnesses when they were introduced for the first time in a Chapter only, or in situations where the title was required in order for the chapter, section or sub-section to make sense. In all other situations, it was agreed that the titles of witnesses should be omitted.

Paragraph 2.71 amended, put and agreed to.

The Committee agreed to remove the phrase “on the evidence” wherever occurring throughout the report (Ms Standen)

The Committee agreed to insert a new paragraph X after 2.71:

The Committee notes that in high tourist demand areas in regional Tasmania, short stay accommodation can be a higher proportion of the available housing stock, leading to disruption in the market.

The new paragraph X put and agreed to.

Paragraph 2.72 amended, put and agreed to.

Paragraph 2.73 amended, put and agreed to.

The Committee agreed to insert a second new paragraph XX after 2.73:

The Committee notes the UTAS Institute for the Study of Social Change report, Regulating Short-Stay Accommodation in Tasmania: Issues to consider and options for reform provides preliminary data on the short stay sector and puts forward recommendations for stronger regulation, including caps on visitor nights and temporary freezes on new listings of entire dwellings.

New paragraph X put and agreed to.

Paragraph 2.74 amended, put and agreed to.

The Committee considered the Recommendations.

The Committee agreed to insert a new Recommendation X:

The Committee recommends that the Government develops a more sophisticated and flexible approach to

regulating the short stay accommodation sector in areas of high demand for affordable housing.

The new paragraph X put and agreed to.

Recommendation 1 of Section 2.3 amended, put and agreed to.

The Committee agreed to omit Recommendation 3 of Section 2.3:

The Committee notes that NSW is considering the introduction of a new industry-led short-term rental accommodation register – and recommends that the Government adopt this measure amongst other policy responses to respond particularly in areas of housing unaffordability.

Recommendation 3 of Section 2.3, omitted, put and agreed to.

Recommendations 4-5 of Section 2.3 put and agreed to.

Recommendation 6 of Section 2.3 moved before Recommendation 5 and agreed to (Ms Standen).

Recommendation 7 of Section 2.3 amended, put and agreed to.

The Committee considered Section 2.4 and agreed to deliberate it later.

Chapter 2 amended, put and agreed to.

Paragraph 3.1 amended, put and agreed to.

The Committee agreed to amend the heading for Section 3.1, by leaving out “Changing face of homelessness” and inserting “Changing profile of people

experiencing homelessness” (Ms O’Connor).

Paragraph 3.2 amended, put and agreed to.

Paragraphs 3.3-3.5 put and agreed to.

Paragraph 3.6 amended, put and agreed to.

Paragraphs 3.7-3.8 put and agreed to.

The Committee proposed a new Paragraph X to be inserted into the Findings in Section 3.1:

The Committee finds that the demographics for people facing homelessness and housing stress has expanded over recent years with employed people on low incomes, women and children fleeing domestic violence, older women, migrants and young people joining welfare recipients as people in need.

The new Paragraph X put and agreed to.

The Committee proposed a new Paragraph XX to be inserted into the Findings in Section 3.1:

The Committee finds that caseloads of community service providers are increasing and providers are finding it increasingly difficult to find long-term accommodation for the increased number of people experiencing homelessness or housing stress.

The new Paragraph XX put and agreed to.

The Committee considered Section 3.2 Experiences of Tasmanians in Housing Stress or Homelessness.

Paragraphs 3.9 put and agreed to.

The Committee considered the order of the following paragraphs and agreed to insert paragraph 3.20 after paragraph 3.9:

Housing stress was discussed as a significant issue in a number of submissions and in verbal evidence. Anglicare defined housing stress as ‘a household in the lowest 40% of Australia’s household income that spends more than 30% of its income on rent or mortgage payments. Extreme rental stress is defined as spending at least 50% of a household’s income on rent’.

The relocation of paragraph 3.20 after 3.9 put and agreed to.

Paragraphs 3.10-3.11 put and agreed to.

Paragraph 3.12 amended, put and agreed to.

The Committee considered the order of the following paragraphs and agreed to insert paragraph 3.19 after 3.12:

Mission Australia also noted that there is an increasing number of Tasmanians struggling financially;

According to the ACOSS Poverty in Australia 2018 report, 1 in 8 people live below the poverty line (\$433 a week) in Australia. In Tasmania, 7.2% live below the poverty line before housing costs

and this proportion goes up to 11.5% after housing costs.

The relocation of paragraph 3.19 after 3.12 as proposed, agreed to.

The Committee agreed to insert a new Paragraph X after Paragraph 3.12:

Shelter Tasmania stated:

The majority of low income Tasmanians live in private rental properties. About 27% of Tasmanian households, almost 40000 households are renters. About 8000 Tasmanian households were experiencing rental stress in 2016, and the figure would certainly be higher now.

The new paragraph X put and agreed to.

Paragraph 3.16 amended, put and agreed to.

The Committee agreed to insert a new paragraph X after paragraph 3.16:

The Committee heard from a number of organisations about the extent of homelessness in Tasmania, with St Helens Neighbourhood Association commenting in its submission that;

1, 579 people are experiencing homelessness in Tasmania.... Primary homelessness represents 8% (those living on the streets) and the remainder are secondary and comprise (of) those that are couch surfing, living in shelters, etc.

The new paragraph X after paragraph 3.16 put and agreed to.

The Committee agreed to amend paragraph 3.17, leaving out “relative to other jurisdictions” (Ms O’Connor).

Paragraph 3.17 amended, put and agreed to.

Paragraph 3.18 put and agreed to.

The Committee agreed to omit paragraph 3.19 (Ms Standen).

Paragraphs 3.20-3.28 put and agreed to.

Paragraph 3.29 amended, put and agreed to.

Paragraphs 3.30-3.37 put and agreed to.

The Committee agreed to insert three new findings into Sub-Section 3.2.2

The Committee finds that people are increasingly paying a greater percentage of their income on rent or mortgage repayments which is resulting in an increased number of people not being able to afford food or pay other bills after they have paid for housing costs.

The Committee finds that the experience of homelessness has a profoundly negative impact on affected individuals and family groups, impacting on employment, health, education, relationships with loved ones and connecting with community.

The Committee further finds that for some, the experience of homelessness can become cyclic.

The new findings for Sub-Section 3.2.2 put and agreed to.

Paragraph 3.34 put and agreed to.

The Committee agreed to omit Paragraph 3.35.

Paragraphs 3.36-3.58 put and agreed to.

Paragraph 3.59 amended, put and agreed to.

Paragraphs 3.60-3.62 put and agreed to.

OTHER MATTERS

The Committee noted that Jen Butler MP declared an interest in owning one short stay accommodation property

The Committee also noted that John Tucker MP declared an interest in owning four long term rental properties

At 5.00p.m. the Committee adjourned until 9.00am on Wednesday 20 November 2019.

20 November 2019

The Committee met in Committee Room 3, Parliament House at 9.00 a.m.

Members Present:

Ms Standen (Chair)

Ms O’Connor

Mr Tucker

Ms Butler

Mrs Rylah (by teleconference)

CONSIDERATION OF DRAFT REPORT

The Committee considered the draft report.

Paragraph 3.63 amended, put and agreed to.

Paragraphs 3.64-3.68 put and agreed to.

Paragraph 3.69 amended, put and agreed to.

Paragraphs 3.70-3.71 put and agreed to.

Paragraph 3.72 amended, put and agreed to.

Paragraph 3.73 amended, put and agreed to.

Paragraphs 3.74-3.76 put and agreed to.

The Committee agreed to insert a new paragraph X before paragraph 3.77 (Ms O'Connor):

The Committee received evidence from a range of witnesses regarding the lack of exit points into secure housing and transition support for clients experiencing homelessness, needing to move from crisis accommodation to secure housing.

The new paragraph X put and agreed to.

Paragraphs 3.77-3.85 put and agreed to.

The Committee considered the paragraphs 3.86-3.91 contained in the findings in Section 3.3 and agreed to make a number of formatting and clerical changes.

The Committee reconsidered Section 3.2, and agreed to include a new Findings sub-section and a

Recommendations sub-section. The new paragraphs proposed included:

Findings

The Committee finds that people are increasingly paying a greater percentage of their income on rent or mortgage repayments which is resulting in an increased number of people not being able to afford food or pay other bills after they have met housing costs.

The Committee finds that the experience of homelessness has a profoundly negative impact on affected individuals and family groups, impacting on employment, health, education, relationships with loved ones and connecting with community.

The Committee further finds that for some, the experience of homelessness can become cyclic and increasingly difficult to escape.

The Committee finds that people who are experiencing homelessness or housing stress lack stability and often move further away from services, which affects their ability to find work and access training, enable their children to remain engaged in education and access essential services.

The Committee finds that the lack of affordable private rentals for people on low incomes is placing increased pressure on the demand for public and community housing.

The Committee finds that tackling homelessness is a collective responsibility and government plays a key role in resourcing and setting policy.

There also needs to be stronger communication and leadership at the community level to harness the goodwill and creative and inclusive solutions coming forward from the community

Recommendations:

The Committee recommends that the Commonwealth and State Governments recognise the increased demand for Specialist Homelessness Services and increase funding under the National Housing and Homelessness Agreement.

The new paragraphs in Section 3.2 put and agreed to.

The Committee reconsidered the Recommendations contained in Section 3.3.

Recommendation 1 in Section 3.3 amended, put and agreed to

Recommendation 1 in Section 3.3 amended, put and agreed to.

Recommendation 2 in Section 3.3, amended, put and agreed to.

The Committee proposed three new Recommendations in Section 3.3:

The Committee recommends that the Government make a long-term commitment to funding programs that assist people leaving correctional and youth justice facilities into secure housing with support, thus reducing reoffending and recidivism.

The Committee recommends that the Government ensure adequate funding to community service providers to reduce caseloads for support workers assisting

people experiencing homelessness or housing stress.

The Committee recommends that the Government works with registered training organisations to improve the training pathways, recruitment and retention of community service workers.

The new Recommendations in Section 3.3 put and agreed to.

The Committee considered Section 3.4 of the Report.

Paragraph 3.92 amended, put and agreed to.

The Committee agreed to insert a new paragraph X, after paragraph 3.92:

Many submissions talked of the secondary impacts of homelessness and housing stress. The Salvation Army Tasmania noted that:

People don't directly die of homelessness, but like any chronic condition people can die from secondary impacts. Suicide is occurring, people are dying of accidental drug overdoses because of security of their homes has been compromised. There are people sleeping rough whose health is deteriorating to a point where, as one of my friends who is a frontline worker said to me, it is only a matter of time before he finds one particular person dead. People are dying as a result of impacts from homelessness.

The new paragraph X put and agreed to.

Paragraphs 3.93-3.94 agreed to.

Paragraph 3.95 amended, put and agreed to.

Paragraph 3.96 amended, put and agreed to.

Paragraph 3.97 amended, put and agreed to.

Paragraph 3.98 amended, put and agreed to.

Paragraph 3.99 amended, put and agreed to.

The Committee agreed to make a number of formatting changes, and reorder paragraphs 3.100-3.106

The Committee agreed to a number of clerical and reformatting changes to the findings for Section 3.4.

The Recommendations for Section 3.4 were read.

Recommendation 2 of Section 3.4, amended, put and agreed to.

Recommendation 3 of Section 3.4, amended, put and agreed to.

The Committee agreed to insert a new section titled "3.3.5 People leaving Correctional Facilities" and inserted two new paragraphs into that section as follows:

The Committee heard that providing secure housing and sustained support for individuals exiting correctional facilities reduces reoffending and recidivism:

Dr Jed Donoghue, Housing and Homelessness State Manager, the Salvation Army commented:

People who are coming out of the justice system and prison services are getting pre- and post-release support from Beyond the Wire - that's what we've called our REO2 program - and that has been funded by the Justice department. We are reducing recidivism or reoffending rates. Last month we worked with 33 people pre- and post-release and we have two workers based in Hobart and one in Burnie. For the majority of people coming out of prison on parole or on remand that is much more difficult because we need a stable address. I don't know if there has been much interaction with Ashley. I would have to clarify that with the program manager.

Ms O'CONNOR - Are you confident that Beyond the Wire, as it is now, with as I understand it somewhat less funding than REO had, is capturing the majority of people who exit the correctional system or the majority of people who exit the system who need a home?

Dr DONOGHUE - We are not capturing all the people. I'm not sure what the percentage would be, but the people who identify to their correctional worker that they want to get support because of their concern about being homeless when they leave prison are definitely being addressed in that they are being referred to us. It depends on the level of communication between the people in the prison and the correctional workers whether they want to disclose that they will be homeless when they leave.

Sometimes people in prison expect that they will be able to renew their housing or maintain their relationship, but then find they are homeless when they are released. Sometimes we don't get any warning when people turn up. We try to be flexible and responsive to people but with three staff we are limited in what we can do. The organisation makes the contribution to that program as well.

The new Sub-section 3.3.5 and the two new paragraphs as proposed, agreed to.

The Committee reconsidered Section 3.3.

Section 3.3 amended, put and agreed to.

The Committee reconsidered Section 3.4.

Section 3.4 amended, put and agreed to.

The Committee considered Section 3.5.

Paragraph 3.108 amended, put and agreed to.

Paragraphs 3.109-3.112 put and agreed to.

Paragraph 3.113 amended, put and agreed to.

Paragraph 3.114 amended, put and agreed to.

Paragraph 3.115 amended, put and agreed to.

Paragraph 3.116 amended, put and agreed to.

Paragraph 3.117 amended, put and agreed to.

Paragraph 3.118 amended, put and agreed to.

Paragraphs 3.119-3.122 agreed to.

Paragraph 3.123 amended, put and agreed to.

Paragraph 3.124 amended, put and agreed to.

The Committee considered inserting a new Finding X into Section 3.5:

The Committee finds that a cultural shift is required to improve responsibility and responsiveness of service providers and educational institutions to identify and support at risk students.

The new Finding X in Section 3.5 put and agreed to.

The Committee considered inserting another new Finding XX into Section 3.5:

The Committee finds there is inadequate housing supply and insufficient funding to Housing Connect for supported accommodation and case support to enable retention in education.

The new Finding XX in Section 3.5 put and agreed to.

Recommendations 1 and 2 of Section 3.5 put and agreed to.

Chapter 3 amended, put and agreed to.

The Committee considered Chapter 4.

Paragraphs 4.1-4.2 put and agreed to.

Paragraph 4.3 amended, put and agreed to.

Paragraphs 4.4-4.7 put and agreed to.

Paragraph 4.8 amended, put and agreed to.

Paragraphs 4.9-4.10 put and agreed to.

New paragraph X proposed, to be inserted before paragraph 4.11:

The Committee notes the need for longer term financing arrangements for community housing providers to enable security of income for future loans.

New paragraph X put and agreed to.

Paragraphs 4.11-4.12 put and agreed to.

The Committee considered Section 4.2

Paragraph 4.13 put and agreed to.

Paragraph 4.14 amended, put and agreed to.

Paragraph 4.15 amended, put and agreed to.

Paragraph 4.16 amended, put and agreed to.

Paragraph 4.17 amended, put and agreed to.

Paragraph 4.18 amended, put and agreed to.

Paragraph 4.19-4.20 put and agreed to.

Paragraph 4.21 amended, put and agreed to.

Paragraph 4.22 amended, put and agreed to.

Two new paragraphs proposed to be inserted after paragraph 4.22:

Paragraph 1

Mr Tony Walsh, building consultant and builder, gave evidence that there are significant construction cost savings to be found using alternative modular construction methods. His product claims to deliver 30 percent lower build cost, 5-7 percent more usable floor area, up to 27 percent less materials cost, and 50 percent less labour cost. He said:

I've talked to quite a few building organisations and they are very happy making their money and doing what they do. I think too, reading between the lines and I can't prove this, but I think they are aware of their market position, which is there aren't enough tradesmen around to make the houses that the government want happen. Bearing in mind that we are looking at a 50 per cent labour reduction here, what does that do to the equation? The builders around, I think those involved in the tendering process know where they are going, so I suspect the government is paying top dollar for the houses that they do build. I don't know that for sure but I wouldn't be at all surprised if that is the case.

Ms O'CONNOR - That's the question I was going to come to. So roughly, the cost of building a Housing Tasmania home, a two-bedroom home for example, sits at around \$250 000 to \$260 000 per home, and that is a bare minimum. What is your estimate on

*what could be saved on those costs?
Are we looking at a 25 per cent, a 30 per cent reduction in costs?*

Mr WALSH - The costs that we have cited there of 30 per cent, we believe is the conservative minimum. That is made up more in there are some material savings and your overheads stay the same of course, but the biggest saving is in labour.

Paragraph 1 put and agreed to.

Paragraph 2:

Quinten Villanueva from Qapital Investments, also highlighted that there innovative products that can bring down construction costs and reduce labour requirements for affordable housing. He said:

Mr TUCKER - The cost of these modulars compared to conventional buildings - a conventional building is about \$3000 a square metre, these days. Is that correct?

Mr VILLANUEVA - Depending on the quality of the build, yes.

Mr TUCKER - What does it cost to build the modulars compared to that, per square metre?

Mr VILLANUEVA - Again, it is economies of scale, because logistics are a critical requirement. If you are looking at 50 pods, or 100 pods at a time, they can have them landed here in Tasmania - that is, two-bedroom pods at about 24 metres each - for about \$40 000 each.

Paragraph 2, to be inserted after paragraph 4.22 put and agreed to.

Paragraph 4.23 amended, put and agreed to.

Paragraph 4.24 amended, put and agreed to.

Paragraph 4.25 amended, put and agreed to.

Paragraph 4.27 amended, put and agreed to.

Paragraphs 4.28-4.29 put and agreed to.

Paragraph 4.30 amended, put and agreed to.

Paragraph 4.31 amended, put and agreed to.

Paragraph 4.32 amended, put and agreed to.

Paragraph 4.33 amended, put and agreed to.

Paragraph 4.34 put and agreed to.

Paragraph 4.35 amended, put and agreed to.

Paragraph 4.37 amended, put and agreed to.

Paragraph 4.38 put and agreed to.

The Committee considered the Recommendations for Section 4.2

Recommendation 2 of Section 4.2 amended, put and agreed to.

The Committee proposed that the following recommendations of Section 4.2 be omitted:

The Committee recommends that the Government invest appropriately in TAFE to ensure Tasmania have appropriately qualified tradespeople into the future.

Deletion put, and agreed to.

The Committee proposed that the following new recommendations be included in Section 4.2:

The Committee recommends that the State Government objectively assesses unmet need for social housing and revise targets in the Affordable Housing Action Plan Stage 2 accordingly.

The Committee recommends that in addition to progress against targets, the Government release financial information relating to social housing, as part of its quarterly housing report to improve transparency.

The Committee recommends that Housing Tasmania and Community Housing Providers examine innovative, low cost construction materials and methods to reduce costs and the demand for labour, in building new social and affordable housing.

The Committee recommends further consultation between Government and industry stakeholders to ensure the supply of apprentices in the building and construction industry meets demand now and into the future.

The new Recommendation X put and agreed to.

The Committee considered the order of the recommendations and agreed to make some formatting changes.

Paragraphs 4.40-4.42 put and agreed to.

Paragraph 4.43 amended, put and agreed to.

Paragraph 4.44 amended, put and agreed to.

The Committee agreed to insert paragraph 4.45 before paragraph 4.41.

Paragraph 4.46 amended, put and agreed to.

Paragraphs 4.47-4.48 put and agreed to.

Paragraph 4.49 amended, put and agreed to.

Paragraph 4.50 put and agreed to.

The Committee considered the Recommendation for sub-section 4.2.3.

The Committee agreed to omit Recommendation 1 of Sub-Section 4.2.3 “The Committee recommends that the Government ensures maintenance is included in future Affordable Housing strategies and/or action plans” and insert a new Recommendation:

The Committee recommends that the Government ensures reporting on actions and targets to reduce maintenance liability, and that it is included in current and future Affordable Housing strategies and/or action plans.

New recommendation put and agreed to.

Paragraphs 4.51-4.66 put and agreed to.

OTHER MATTERS

The Committee resolved that the reporting date be extended to 5 March 2020, with the provision that it can present the Report to the Speaker or Deputy Speaker before that date (Mrs Rylah).

At 5.20 p.m. the Committee adjourned until 9.00am on Thursday, 5 December 2019 (Ms O'Connor).

5 December 2019

The Committee met in Committee Room 1, Parliament House at 9.05 a.m.

Members Present:
Ms Standen (Chair)
Ms O'Connor
Mr Tucker
Ms Butler
Mrs Rylah (by teleconference)

CORRESPONDENCE

The Committee resolved to note the correspondence from Minister Roger Jaensch regarding the request for advice in relation to the Agreement between the Commonwealth and Tasmania – Waiver of Outstanding Housing Related Loans (Mrs Rylah)

The Committee resolved to note the correspondence from Mr Tony Walsh (Mrs Rylah)

CONSIDERATION OF DRAFT REPORT

The Committee considered the draft report.

Paragraph 4.66 amended, put and agreed to.

Paragraph 4.67 amended, put and agreed to.

Paragraph 4.68 amended, put and agreed to.

Paragraphs 4.69-4.74 put and agreed to.

Paragraph 4.75 amended, put and agreed to.

Paragraph 4.76 amended, put and agreed to.

Paragraph 4.77 put and agreed to.

Paragraph 4.78 amended, put and agreed to.

Paragraph 4.79 amended, put and agreed to.

Paragraph 4.80 put and agreed to.

The Committee considered the Recommendation for Sub-Section 4.4.1 and agreed to amend it.

Paragraph 4.81 amended, put and agreed to.

Paragraph 4.82 put and agreed to.

Paragraph 4.83 amended, put and agreed to.

Paragraphs 4.84-4.87 put and agreed to.

Paragraph 4.88 amended, put and agreed to.

Paragraph 4.89 amended, put and agreed to.

Paragraph 4.90 amended, put and agreed to.

Paragraph 4.91 amended, put and agreed to.

Paragraph 4.92 amended, put and agreed to.

The Committee considered the Recommendations for Section 4.4.

Recommendation 1 of Section 4.4 amended, put and agreed to.

The Committee agreed to omit Recommendation 2 of Sub-Section 4.4.1
“The Committee recommends that the Government reviews how it manages relationships with community providers. The Government should work with CHPs to address social housing supply and reduce maintenance liability and ensure increased supply overall under the contractual arrangements.

The Committee agreed to insert Recommendation 2 of Sub-Section 4.4.1 into the Recommendations in Sub-Section 4.4.2.

Paragraph 4.93 put and agreed to.

The Committee agreed to change the order of several paragraphs, and make grammatical changes to Section 4.4.

Paragraph 4.94 amended, put and agreed to.

Paragraph 4.95 amended, put and agreed to.

Paragraph 4.96 amended, put and agreed to.

Paragraph 4.97 put and agreed to.

Paragraph 4.98 amended, put and agreed to.

Paragraph 4.99 amended, put and agreed to.

Paragraph 4.100 amended, put and agreed to.

Paragraph 4.101 amended, put and agreed to.

Paragraph 4.102 amended, put and agreed to.

Paragraph 4.103 amended, put and agreed to.

The Committee considered the Recommendations for Sub-Section 4.4.2.

Recommendation 1 of Sub-Section 4.4.2 agreed to.

Recommendation 2 of Sub-Section 4.4.2 (previously Recommendation 2 of Section 4.4.1) agreed to.

The Committee read the title for sub-section 4.4.4 ‘Government Grants and

Incentives’ and agreed to replace it with ‘State Government Grants and Incentives’.

Paragraph 4.104 amended, put and agreed to.

New paragraph X inserted after Paragraph 4.104:

The Tasmanian Government advised that under its Affordable Housing Action Plan 2, there will also be some rental assistance provided, but it is not clear what form of assistance that will be:

The Affordable Housing Action Plan 2 commits to assisting low-income households into secure private rental accommodation at an affordable rent in partnership with community housing providers.

The goal is to establish 200 new tenancies by 30 June 2023 under the Private Rental Incentives Scheme in addition to the 95 households assisted under the Pilot introduced by Action Plan 1.

The Private Rental Incentives Scheme helps eligible low-income Tasmanians access affordable private rental properties. The new Program offers two-year leases at guaranteed, affordable rental prices in convenient locations.

Paragraph 4.105 amended, put and agreed to.

Paragraph 4.106 amended, put and agreed to.

Paragraph 4.107 amended, put and agreed to.

Paragraph 4.108 amended, put and agreed to.

Paragraph 4.109 put and agreed to.

The Committee agreed to omit Paragraph 4.110:

The Committee finds on the evidence received that:

- *Current levels of Commonwealth Rent Assistance are capped, regardless of current increases in rent and have not factored in trends relating to contemporary housing stress and homeless issues, and are therefore inadequate.*
- *Rental assistance is inadequate for older Tasmanians*

The Committee agreed to insert a new Paragraph 4.110:

The Committee finds that, for low income earners in the private rental market, rental affordability has decreased significantly due to Federal Government Income Support payments remaining static and the CRA being capped in a tight rental market.

New Paragraph 4.110 put and agreed to.

New Paragraph X proposed, to be inserted after Paragraph 4.110:

The Committee finds that the CRA is inadequate for anyone receiving welfare benefits accessing the private rental market.

New Paragraph X put and agreed to.

The Committee considered the Recommendation for Sub-Section 4.4.3.

Recommendation 1 for Sub-Section 4.4.3 amended, put and agreed to.

Paragraph 4.111 amended, put and agreed to.

The Committee agreed to move paragraphs 4.114 and 4.115 after paragraph 4.111.

Paragraphs 4.116-4.118 put and agreed to.

Paragraph 4.119 amended, put and agreed to.

New Paragraph X proposed to be inserted after Paragraph 4.119:

The Committee finds there is limited information available on the outcomes of the Private Rental Incentive Program and whether it is achieving its objectives.

New Paragraph X put and agreed to.

The Committee considered the Recommendations for Sub-Section 4.4.5.

Recommendation 1 of Sub-Section 4.4.5 read.

Recommendation 1 of Sub-Section 4.4.5 amended, put and agreed to.

The Committee proposed three new recommendations for Sub-Section 4.4.5 to be inserted after Recommendation 1:

The Committee recommends the Government provide more detailed

reporting on the outcomes of Government grants and rental incentive schemes, in its quarterly report on the Affordable Housing Action Plan Stage 2.

The Committee recommends that Housing Tasmania more actively promote grant and incentive schemes that have been proven effective in addressing housing affordability and availability.

The Committee recommends the Government investigates the possibility of more widely available home modification grants in order to keep people with mobility issues in their homes for longer, easing pressure on housing supply and supported accommodation.

Recommendations for Sub-Section 4.4.5 proposed, put and agreed to.

Paragraph 4.120 put and agreed to.

Paragraph 4.121 amended, put and agreed to.

Paragraph 4.122 put and agreed to.

Paragraph 4.123 amended, put and agreed to.

Paragraph 4.124 amended, put and agreed to.

Paragraph 4.125 amended, put and agreed to.

Paragraph 4.126 put and agreed to.

Paragraph 4.127 amended, put and agreed to.

The Committee agreed to omit Paragraph 4.128:

Shelter Tasmania also proposed the establishment of a working group or subcommittee:

The establishment of a working group to modernise the Residential Tenancy Act and improve the tenancy security of all Tasmanians in private rental housing. This aligns with recommendation 1.2 from COTA's Budget Priority Statement, and would assist Tasmania to align with best national practice on matters such as pets, digital rights, energy efficiency and emerging disruptive technologies such as apps for tenants and landlords

The Committee agreed to put Paragraph 4.128 aside, and insert it into Sub-Section 5.2.6 after Paragraph 5.60.

The proposal to move Paragraph 4.128 put and agreed to.

The Committee agreed to insert a new Paragraph X after Paragraph 4.128:

The Committee finds there has been no alternative Federal Government program to replace NRAS once it ended

New paragraph X put and agreed to.

Paragraph 4.129 amended, put and agreed to.

The Committee agreed to insert two Recommendations into Section 4.5:

The Committee recommends that a housing supply and demand analysis taskforce be established as a matter of priority.

The Committee recommends this taskforce advises Government on affordable housing supply and demand issues that will inform the development of evidence-based future affordable housing plans and strategies.

The new recommendations put and agreed to.

Chapter 4 as amended, agreed to.

The Committee considered Chapter 5

Paragraph 5.1 amended, put and agreed to.

Paragraph 5.2 amended, put and agreed to.

Paragraphs 5.3-5.5 put and agreed to.

The Committee considered the findings for Section 5.2 and agreed to make general clerical and formatting changes.

Paragraph 5.6 amended, put and agreed to.

New paragraph X proposed to be inserted after Paragraph 5.6:

The Committee finds the private rental market in Tasmania has become highly competitive. This has resulted in an imbalance in the bargaining power between landlords and tenants, which requires greater protection for tenants.

New paragraph X put and agreed to.

Paragraphs 5.7-5.8 put and agreed to.

Paragraph 5.9 amended, put and agreed to.

Paragraph 5.10 put and agreed to.

Paragraph 5.11 amended, put and agreed to.

Paragraph 5.12 amended, put and agreed to.

Paragraph 5.13 put and agreed to.

Paragraph 5.14 amended, put and agreed to.

Paragraphs 5.15-5.17 put and agreed to.

Paragraph 5.18 amended, put and agreed to.

Paragraph 5.19 amended, put and agreed to.

Paragraphs 5.20-5.22 put and agreed to.

Paragraph 5.23 amended, put and agreed to.

Paragraph 5.24 put and agreed to.

Paragraph 5.25 amended, put and agreed to.

Paragraph 5.26 put and agreed to.

Paragraph 5.27 amended, put and agreed to.

Paragraph 5.28 put and agreed to.

Paragraph 5.29 amended, put and agreed to.

The Committee proposed that two new paragraphs be inserted after Paragraph 5.29:

The Residential Tenancy Act 1997 currently contains a substantial number

of required minimum standards in rental properties but enforcement of these standards is lacking.

Some of the minimum standards are also not required to apply to social housing and a number of submissions and witnesses felt there are insufficient mandatory requirements around energy efficiency.

The new paragraphs proposed, put and agreed to.

Paragraphs 5.30-5.33 put and agreed to.

Paragraph 5.34 amended, put and agreed to.

Paragraph 5.35 agreed to.

Paragraph 5.36 amended, put and agreed to.

Paragraphs 5.37-5.39 agreed to.

Paragraph 5.40 amended, put and agreed to.

Paragraphs 5.41-5.42 put and agreed to.

Paragraph 5.43 amended, put and agreed to.

Paragraphs 5.44-5.47 put and agreed to.

Paragraph 5.48 amended, put and agreed to.

Paragraphs 5.49-5.51 agreed to.

At 5.00 p.m. the Committee adjourned until 9.00am on Monday 3 February 2020.

3 February 2020

The Committee met in Committee Room 1, Parliament House at 9.05 a.m.

Members Present:
Ms Standen (Chair)
Ms O'Connor (from 9.58am)
Mr Tucker
Ms Butler (from 10.25am)
Mrs Rylah (by teleconference)

MINUTES

The Committee resolved that the minutes of the meeting held on 19 November, 20 November and 5 December last be read and confirmed as a true and accurate record (Mr Tucker).

CORRESPONDENCE

The Committee resolved to note the correspondence from Prof Keith Jacobs, Director, Housing and Community Research Unit, University of Tasmania (Mr Tucker).

The Committee resolved to note the correspondence from Mr Tony Walsh (Mr Tucker).

CONSIDERATION OF THE DRAFT REPORT

Paragraph 5.51 amended, put and agreed to.

Paragraphs 5.54-5.56 put and agreed to.

Paragraph 5.57 amended, put and agreed to.

Paragraph 5.58 amended, put and agreed to.

Paragraph 5.59 amended, put and agreed to.

Paragraph 5.60 put and agreed to.

Paragraph 5.61 amended, put and agreed to.

Paragraph 5.62 amended, put and agreed to.

Paragraph 5.63 put and agreed to.

Paragraph 5.64 amended, put and agreed to.

The Committee then considered Recommendation 2 of Section 5.2.

Recommendation 2 of Section 5.2 amended, put and agreed to.

The Committee returned to Paragraph 5.65.

Paragraph 5.65 amended, put and agreed to.

Paragraph 5.66 put and agreed to.

The Committee proposed to insert a new Paragraph X after Paragraph 5.66:

The Committee finds the minimum standards as set out in the Residential Tenancy Act 1997 are not always met and that there are difficulties in the enforcement of those standards.

Paragraph X put and agreed to.

The Committee proposed to insert a second new Paragraph XX after Paragraph 5.66:

The Committee finds there is a need for a mechanism and resourcing to ensure compliance with the minimum standards in the Act without the need for a tenant to make a complaint to the Residential Tenancy Commissioner before compliance is checked.

Paragraph XX put and agreed to.

The Committee proposed to insert a third new Paragraph XXX after Paragraph 5.67:

The Committee finds the minimum standards for electricity and heating in the Act should be revised and strengthened to require energy efficient heating to ensure people are not faced with high electricity costs associated with heating.

Paragraph XXX put and agreed to.

The Committee considered the Recommendations for Section 5.2

Recommendations 1-3 of Section 5.2 put and agreed to.

The Committee agreed to insert a new Recommendation 4 after Recommendation 3.

Recommendation 4 of Section 5.2 put and agreed to.

The Committee agreed to adopt Section 5.2

Paragraphs 5.70-5.71 put and agreed to.

Paragraph 5.72 amended, put and agreed to.

Paragraph 5.73 amended, put and agreed to.

Paragraphs 5.74-5.76 put and agreed to.

Paragraph 5.77 amended, put and agreed to.

Paragraphs 5.78-5.81 put and agreed to.

Paragraph 5.82 amended, put and agreed to.

Paragraph 5.83 amended, put and agreed to.

Paragraphs 5.84-5.87 put and agreed to.

Paragraph 5.88 amended, put and agreed to.

Paragraphs 5.89-5.91 put and agreed to.

Paragraph 5.92 amended, put and agreed to.

Paragraph 5.93 amended, put and agreed to.

Paragraph 5.94 amended, put and agreed to.

The Committee proposed to insert a new Paragraph X after Paragraph 5.94:

The Committee finds it did not receive evidence on the implications of rent control on landlords and private investment, including whether this would make landlords switch from long-term rentals to the short-stay accommodation market.

New Paragraph X put and agreed to.

The Committee agreed to insert a Recommendations Section for Section 5.3:

The Committee recommends that consideration of rent control provisions be incorporated into a wider review of the Residential Tenancy Act 1997.

New Recommendation 1 of Section 5.3 put and agreed to.

Chapter 5 amended, put and agreed to.

The Committee considered Chapter 6.

Paragraphs 6.1-6.2 put and agreed to.

Paragraph 6.3 amended, put and agreed to.

Paragraph 6.4 set aside.

The Committee broke for lunch from 12.30pm-1.30pm.

Paragraphs 6.5-6.6 put and agreed to.

Paragraph 6.7 amended, put and agreed to.

Paragraph 6.8 put and agreed to.

Paragraph 6.9 set aside.

Paragraph 6.10 amended, put and agreed to.

Paragraph 6.11 amended, put and agreed to.

Paragraph 6.12 amended, put and agreed to.

Paragraphs 6.13-6.14 put and agreed to.

Paragraph 6.15 amended, put and agreed to.

Paragraph 6.16 amended, put and agreed to.

The Committee agreed to move paragraphs 6.11-6.16 after Paragraph 6.3.

Paragraph 6.17 put and agreed to.

Paragraph 6.18 put and agreed to.

Paragraph 6.19 amended, put and agreed to.

The Committee considered the format of Section 6.2 and Section 6.3 and agreed to merge the paragraphs contained in Section 6.2 with Section 6.1, and omitting the heading '6.2 Land Releases and broad acre developments'.

Paragraph 6.20 amended, put and agreed to.

Paragraphs 6.21-6.22 put and agreed to.

Paragraph 6.23 amended, put and agreed to.

Paragraph 6.24 amended, put and agreed to.

Paragraph 6.25 put and agreed to.

Paragraphs 6.26-6.29 put and agreed to.

Paragraph 6.30 put and agreed to.

The Committee agreed to insert two new paragraphs after Paragraph 6.27:

The Committee finds there is chronic skills shortages (at a State and National level) in the planning profession.

The Committee finds that previous Government approaches to social housing planning such as broad acre developments have been inadequate and have led to a variety of issues which should be avoided in the future.

The new Paragraphs put and agreed to.

The Committee considered the Recommendations for Section 6.1.

Recommendation 1 of Section 6.1 amended, put and agreed to.

The Committee agreed to insert two new Recommendations into Section 6.1, to be inserted after Recommendation 1:

The Committee recommends that the State Government works with LGAT, and Universities to mitigate the chronic skills shortage in the planning profession in Tasmania.

The Committee recommends that the State Government work with Local Governments to prioritise new infill and medium density development close services, education and employment.

The two new Recommendations for Section 6.1 put and agreed to.

Noting the change to the headings of Sections 6.1 and 6.2, Section 6.3 was renamed 6.2.

The Committee reconsidered Paragraph 4.68 and agreed to insert three new recommendations into Section 4.2.

The Committee recommends that Housing Tasmania, Community Housing Providers and industry groups work together to develop innovative, quality, efficient and less expensive alternative construction methods.

The Committee recommends that the Tasmanian Government continues to ensure the long-term viability and capacity of Housing Tasmania.

The Committee recommends that the Government with consultation with Community Housing Providers consider further transfer of management of housing stock linked to KPI's to increase stock (for example, for every three additional properties that are transferred for management, one additional home to be constructed by the CHP).

The New Recommendations for Section 4.2 put and agreed to.

Paragraph 6.31 amended, put and agreed to.

The heading for Sub-Section 6.3.1 amended, put and agreed to.

Paragraph 6.32 amended, put and agreed to.

The Committee agreed to insert a new Paragraph X after Paragraph 6.32.

New Paragraph X put and agreed to.

Paragraph 6.33 put and agreed to.

The Committee agreed to insert Paragraph 6.9 after Paragraph 6.32

The Committee agreed to insert Paragraph 6.4 after Paragraph 6.33.

Paragraphs 6.37-6.39 put and agreed to.

Paragraph 6.40 amended, put and agreed to.

Paragraph 6.41 put and agreed to.

Paragraph 6.42 amended, put and agreed to.

Paragraph 6.43 put and agreed to.

Paragraph 6.44 amended, put and agreed to.

Paragraph 6.45 amended, put and agreed to.

Paragraphs 6.46-6.48 put and agreed to.

Paragraph 6.49 amended, put and agreed to.

Paragraphs 6.50-6.51 put and agreed to.

Paragraph 6.52 amended, put and agreed to.

Paragraphs 6.53-6.54 put and agreed to.

Paragraph 6.55 amended, put and agreed to.

Paragraphs 6.56-6.58 put and agreed to.

Paragraph 6.59 amended, put and agreed to.

Paragraph 6.60 amended, put and agreed to.

Paragraph 6.61 put and agreed to.

Paragraph 6.62 amended, put and agreed to.

Paragraph 6.63 amended, put and agreed to.

Paragraph 6.64 amended, put and agreed to.

Paragraph 6.65 amended, put and agreed to.

Paragraph 6.66 amended, put and agreed to.

Paragraph 6.67 amended, put and agreed to.

Paragraph 6.68 amended, put and agreed to.

The Committee considered the Recommendations for Section 6.2

Recommendation 1 of Section 6.2 amended, put and agreed to.

Recommendation 2 of Section 6.2 amended, put and agreed to.

Recommendation 3 of Section 6.2 amended, put and agreed to.

The Committee considered Section 6.3 (formerly Section 6.4)

Paragraph 6.69 amended, put and agreed to.

Paragraph 6.70 amended, put and agreed to.

Paragraph 6.71 amended, put and agreed to.

Paragraph 6.72 put and agreed to.

Paragraph 6.73 amended, put and agreed to.

Paragraph 6.74 put and agreed to.

At 4.35 p.m. the Committee adjourned until 9.30am on Tuesday 4 February 2020.

4 February 2020

The Committee met in Committee Room 1, Parliament House at 9.05 a.m.

Members Present:

Ms Standen (Chair)

Ms O'Connor (from 9.15am)

Mr Tucker

Ms Butler

Mrs Rylah (by teleconference)

CONSIDERATION OF THE DRAFT REPORT

Paragraph 6.75 put and agreed to.

Paragraph 6.76 amended, put and agreed to.

Paragraph 6.77 amended, put and agreed to.

Paragraph 6.78 amended, put and agreed to.

The Committee agreed to insert a new Paragraph X after Paragraph 6.78:

The Committee finds that new housing developments in strategic growth corridors need to be well planned and built to universal design and liveability principles with a focus on access to

services, employment, sustainability and amenity.

New Paragraph X put and agreed to.

The Committee reconsidered Section 4.2 and agreed to insert a new Paragraph X after Paragraph 4.68:

The Committee recognises the critical role Housing Tasmania has in research and policy development, owning, managing and increasing the supply of social housing, as the agency that supports the most disadvantaged Tasmanians.

New Paragraph X put and agreed to.

The Committee reconsidered the Recommendations in Section 4.2 and agreed to insert three new recommendations:

The Committee recommends that Housing Tasmania, Community Housing Providers and industry groups work together to develop innovative, quality, efficient and less expensive alternative construction methods.

The Committee recommends that the Tasmanian Government continues to ensure the long-term viability and capacity of Housing Tasmania.

The Committee recommends that the Government with consultation with Community Housing Providers consider further transfer of management of housing stock linked to KPI's to increase stock (for example, for every three additional properties that are transferred for management, one

additional home to be constructed by the CHP).

The three new recommendations for Section 4.2, put and agreed to.

At 10.50a.m. the Committee adjourned until 9.30am on Tuesday 11 February 2020.

11 February 2020

The Committee met in Committee Room 1, Parliament House at 9.45 a.m.

Members Present:
Ms Standen (Chair)
Ms O'Connor (from 10.05am)
Mr Tucker
Ms Butler
Mrs Rylah (by teleconference)

MINUTES

The Committee resolved that the minutes of the meeting held on 3 and 4 February last be read and confirmed as a true and accurate record (Ms Butler).

CONSIDERATION OF THE DRAFT REPORT

The Committee resolved to move the Section titled 'Glossary of Definitions' to the Appendices of the Report.

The Committee considered the Recommendations for the Report of the House of Assembly Select Committee on Housing Affordability as a whole and agreed to make several amendments.

Recommendation 1 amended, put and agreed to.

Recommendation 2 put and agreed to.

Recommendation 3 amended, put and agreed to.

Recommendation 4 put and agreed to.

Recommendation 5 put and agreed to.

Recommendation 6 amended, put and agreed to.

Recommendation 7 put and agreed to.

Recommendation 8 put and agreed to.

Recommendation 9 amended, put and agreed to.

Recommendation 10 amended, put and agreed to.

Recommendation 11 omitted, and agreed to.

Recommendation 12 amended, put and agreed to.

Recommendation 13 amended, put and agreed to.

Recommendation 14 put and agreed to.

Recommendation 15 amended, put and agreed to.

Recommendation 16 amended, put and agreed to.

Recommendation 17 put and agreed to.

Recommendation 18 omitted, and agreed to.

Recommendation 19 put and agreed to.

Recommendation 20 put and agreed to.

Recommendation 21 amended, put and agreed to.

Recommendation 22 put and agreed to.

Recommendation 23 amended, put and agreed to.

Recommendation 24 put and agreed to.

Recommendation 25 put and agreed to.

Recommendation 26 put and agreed to.

Recommendation 27 amended, put and agreed to.

Recommendation 28 amended, put and agreed to.

Recommendation 29 amended, put and agreed to.

Recommendation 30 amended, put and agreed to.

Recommendation 31 amended, put and agreed to.

Recommendation 32 amended, put and agreed to.

Recommendation 33 put and agreed to.

Recommendation 34 amended, put and agreed to.

Recommendation 35 amended, put and agreed to.

Recommendation 36 amended, put and agreed to.

Recommendation 37 amended, put and agreed to.

Recommendation 38 amended, put and agreed to.

Recommendation 39 put and agreed to.

Recommendation 40 amended, put and agreed to.

Recommendation 41 amended, put and agreed to.

Recommendation 42 amended, put and agreed to.

Recommendation 43 amended, put and agreed to.

Recommendation 44 put and agreed to.

Recommendation 45 put and agreed to.

Recommendation 46 put and agreed to.

Recommendation 47 put and agreed to.

Recommendation 48 amended, put and agreed to.

Recommendation 49 put and agreed to.

Recommendation 50 put and agreed to.

Recommendation 51 put and agreed to.

Recommendation 52 amended, put and agreed to.

Recommendation 53 put and agreed to.

Recommendation 54 put and agreed to.

Recommendation 55 put and agreed to.

Recommendation 56 amended, put and agreed to.

Recommendation 57 put and agreed to.

Recommendation 58 amended, put and agreed to.

Recommendation 59 amended, put and agreed to.

Recommendation 60 put and agreed to.

Recommendation 61 put and agreed to.

Recommendation 62 put and agreed to.

Recommendation 63 put and agreed to.

Resolved, that a list of submissions received and published and a list of the minutes of the Committee be appended to the report. (Ms O'Connor)

Resolved, that the draft report as amended be the report of the Committee. (Ms Butler)

Resolved, that the minutes of the meeting held on 11 February 2020, once circulated and agreed to, be read and confirmed and appended to the report. (Mr Tucker)

At 11.35am the Committee adjourned.

Appendix D - Glossary of Definitions

Term	Definition
ACOSS	Australian Council of Social Service
AER	Australian Energy Regulator
AHAP1	Tasmanian Government's <i>Affordable Housing Action Plan</i> Stage 1 (2015-2019)
AHAP2	Tasmanian Government's <i>Affordable Housing Action Plan</i> Stage 2 (2019-2023)
AHS	Tasmanian Government's <i>Affordable Housing Strategy</i> (2015-2025)
AHURI	Australian Housing and Urban Research Institute
BHF	Better Housing Futures
BNLA	Building a New Life in Australia: The Longitudinal Study of Humanitarian Migrants
COAG	Council of Australian Governments
CBOS	Consumer, Building and Occupational Services Tasmania
CALD	Culturally and Linguistically Diverse
CCT	CatholicCare Tasmania
CEH	Centacare Evolve Housing

CHP	Community Housing Provider
COTA	Council of the Ageing
CRA	Commonwealth Rent Assistance
CSR	Communities, Sport and Recreation
CYS	Children and Youth Services
DHHS	Department of Health and Human Services
DTF	Department of Treasury and Finance
HACRU	(UTAS) Housing and Community Research Unit
HDCS	Housing, Disability and Community Services
LGA	Local Government Area
HIA	Housing Industry Association
LGAT	Local Government Association of Tasmania
MIZ	Mandatory Inclusionary Zoning
MONA	Museum of Old and New Art
MRC	Migrant Resource Centre
NHT	Neighbourhood Houses Tasmania

NRAS	National Rental Affordability Scheme
OOHC	Out of Home Care
PRA	Private Rental Assistance
RAS	Royal Agricultural Society
RAI	Rental Affordability Index
RoGS	Report on Government Services
REIT	Real Estate Institute of Tasmania
RTA	Residential Tenancy Act
SAAAS	Safe Affordable Appropriate Accessible and Secure
SPP	State Planning Provisions
SSA Act	Short Stay Accommodation Act
TAFE	Technical and Further Education
TasCOSS	Tasmanian Council of Social Service Inc
TSA	The Salvation Army
VET	Vocational Education and Training
UTAS	University of Tasmania

WHT	Women's Health Tasmania
YNOT	Youth Network of Tasmania

