



13 September 2021

**Submission to the House of Representatives Standing Committee on Tax and Revenue
*Inquiry into housing affordability and supply in Australia.***

About Shelter Tas

Shelter Tas is Tasmania's peak body for housing and homelessness services. We are an independent not-for-profit peak organisation representing the interests of low to moderate income housing consumers, community housing providers and Specialist Homelessness Services across Tasmania. We provide an independent voice on housing rights and a link between the Tasmanian government and the community through consultation, research and policy advice. We work towards a fairer and more just housing system. Our vision is affordable, appropriate, safe and secure housing for all Tasmanians and an end to homelessness.

Our submission

Shelter Tas appreciates the opportunity to contribute to the House of Representatives Standing Committee on Tax and Revenue *Inquiry into housing affordability and supply in Australia*. We support the submission from National Shelter, and provide a Tasmanian perspective, focussing on the need to increase the supply of affordable social housing rentals to a level of 10% of all dwellings.

In Tasmania, as in other parts of Australia, there is a chronic shortage of affordable rental options for people on low and moderate incomes. Tasmania has seen unprecedented growth in both purchase prices and rental prices. Hobart has been Australia's least affordable capital city since 2018, on the standard measure that compares income to rental cost.¹ Hobart has been in the top two capitals for unaffordable rentals since the National Rental Affordability Index began in 2015. This chronic lack of affordable rental housing leads to increasing numbers of people experiencing housing stress and homelessness across the state.

In 2016, 1 622 Tasmanians were experiencing homelessness on Census night, and we know that number is much higher now. The latest report from the Australian Institute for Health and Welfare (AIHW) shows that every day in Tasmania, 36 requests to specialist homelessness services go unassisted – this is more than one-third higher than in FY 2016-17

¹ <https://www.sgsep.com.au/projects/rental-affordability-index>

when 25 requests for assistance were unmet each day.² Over 120 000 Tasmanians live in poverty.³

The cost of housing, including both purchase and rental, is rising much faster than people's incomes, leaving more and more households in rental stress and facing the risk of homelessness. In 2021, the Anglicare Rental Affordability Snapshot found only 729 properties advertised for rent across Tasmania, in contrast to 2677 properties in 2013. In Tasmania's Southern region, which includes Hobart, there were only 433 properties advertised as available to rent in 2021, compared with 1304 in 2013.⁴

The shortage of affordable rentals is affected by many factors, including reduced supply as residential properties are converted to short stay accommodation in all regions of Tasmania.⁵ At the same time, Tasmania's population is increasing, and house prices are surging while home ownership rates are declining.⁶ This means people are renting for longer before being able to purchase a home, and higher proportions and greater numbers of people will be life-long renters.

The waiting list for social housing in Tasmania is growing, reflecting increased need. Shelter Tas supports the *Tasmanian Affordable Housing Strategy*, and calls for an increase to the supply of social housing, beyond current commitments. Tasmania needs to deliver social rentals that stay affordable in the long term, from the current level of 6.2% to a level of at least 10% of all dwellings. We have advocated for this target in Tasmania since 2018, and along with National Shelter, we recommend it as a national target.⁷

All levels of government – national, state and local – have a part to play in ensuring that all Australians have a safe, secure, appropriate and affordable place to call home. Good policies to relieve the housing crisis need to operate on multiple levels and at all levels of government. As pressures on the private rental sector increase, from reduced supply and increased demand, a shared commitment to achieve a 10% level of social housing is an essential component of delivering an adequate supply of affordable homes for people who are renting.

For further information on this submission, please contact

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²<https://www.aihw.gov.au/getmedia/0351fdb4-07f1-4ed8-9685-3ff0c668ff6f/aihw-hou-322-tas-factsheet.pdf.aspx> <https://www.aihw.gov.au/getmedia/c58999e7-db14-42ad-937e-d7880359e9ea/shs-2016-17-tas-factsheet.pdf.aspx>

³ <https://www.tascoss.org.au/120000-tasmanians-live-in-poverty/>

⁴ <https://www.anglicare-tas.org.au/research/anglicare-tasmania-rental-affordability-snapshot-2021/>

⁵ <https://cbos.tas.gov.au/topics/housing/short-stay-accommodation-act>

⁶ <https://www.corelogic.com.au/reports>

⁷ https://shelvertas.org.au/wp-content/uploads/2021/03/Shelter-Tas-2021-22-Budget-Submission_final.pdf