



Tasmanian Council of Social Service Inc.

Submission to Tasmanian Housing Strategy Discussion Paper

October 2022



**INTEGRITY
COMPASSION
INFLUENCE**

About TasCOSS

TasCOSS's vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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Introduction

TasCOSS welcomes this opportunity to provide feedback on the Tasmanian Housing Strategy Discussion Paper ('the Paper'). We understand the Paper will be used to ultimately shape the Tasmanian Housing Strategy ('the Strategy').

The Tasmanian Government has recognised the need for significant changes to better support our community, particularly in light of the current cost of living crisis and other pressures impacting Tasmanians. The importance of housing on health and wellbeing has been highlighted in academic research, as well as the lived experience of our community. In TasCOSS conversations with community members about what makes a good life in Tasmania, we hear consistently that 'a place to call home' is essential. As one person put it, having a place to call home *"... is a basic human right. Everything else comes from that"*. The word 'home' is central here. Tasmanians we speak to are not just interested in seeing more houses built – they want *homes*, with all of the other connotations that brings: community, connection, feeling safe and supported, being able to live at home regardless of ageing or disability. For this reason we believe the Housing Strategy should be reoriented to focus on the people who do and will need homes.

Drawing on the knowledge and experience of our members, as well as the lived experience of Tasmanians state-wide, our submission is focused on how we believe the Paper and the Strategy could better reflect the needs of both the community and our member organisations in the community sector. In making our observations about the Paper and recommendations for the Strategy, we have drawn on research and evidence from Tasmania and other jurisdictions, as well as previous relevant submissions.¹

Our submission first outlines what the Strategy could look like with a reorientation to focus on people and homes, then responds to each of the focus areas of the Discussion Paper.

Key Issues

Vision

TasCOSS is very supportive of the Paper's recognition that housing is a 'fundamental need', as well as the connection between housing and meaningful participation in social and economic life.² However, we believe the Paper focuses too much on the concept of housing as physical infrastructure, which does not capture the needs of thousands of Tasmanians for support to attain and retain housing, including measures to prevent homelessness. TasCOSS believes the Strategy must include an explicit focus on the homelessness and housing support sectors. This would also better align it with national policy in this area.³

¹ See, for example, TasCOSS, 'Submission to Tasmanian House of Assembly Inquiry into Housing Affordability' (August 2019).

² Tasmanian Government, Department of Communities, Tasmanian Housing Strategy: Discussion Paper (September 2022), 4.

³ For example, the National Housing and Homelessness Agreement, which explicitly includes strategies relating to homelessness – information about the NHHA can be found here at Australian Government, Department of Social Services, 'The National Housing and Homelessness Agreement', accessed at <https://www.dss.gov.au/housing-support-programs-services->

We also believe the Paper's emphasis on the housing 'market' frames the issue predominantly as one of supply and demand. While we undoubtedly need more supply, the housing issues facing Tasmania are far broader. Using the language of the 'housing market' also excludes those Tasmanians who are not currently participating in the market (either as tenants or landowners) and who need more than additional supply to have a home – for example, unaccompanied homeless children, young people transitioning from care, people with complex needs, and women experiencing domestic violence. We therefore recommend the Strategy refer to the 'housing system' rather than the 'housing market' – we believe this is a broader term which is inclusive of those who are not currently in the market, as well as ensuring broader parts of the housing system are addressed, such as the housing and tenancy workforce, the residential construction workforce, and homelessness and housing support services.

The Paper refers to national and Tasmanian housing market 'challenges'. TasCOSS believes it is more accurate to refer to our housing market 'failure'; the data included in the Paper itself shows the significant proportion of Tasmanians who currently have unmet housing needs, and private rental vacancy rates have for a long time been below what is regarded as a 'healthy' market rate (2.5-3%). This is particularly acute in regional areas of Tasmania where even those on average incomes struggle to find rental accommodation. Acknowledging the failures of the current housing system highlights the urgency required to better support those who are currently excluded from safe, secure and sustainable tenancies, and also provides an opportunity for the Strategy to explicitly consider those in our community with critical housing needs – for example, Tasmanians currently experiencing or at risk of homelessness.

TasCOSS also recommends the Strategy include detailed information about how progress against the Strategy is to be monitored, measured and reported, with clear actions, targets, and timeframes for when targets should be met. A key medium-term target for the Strategy, as identified by Shelter Tas and other community organisations, for 10% of residential dwellings in Tasmania to be social housing.

Finally, we believe the Strategy must include links to other government agencies, strategies, actions and frameworks which impact on Tasmanians' access to housing and related support services. This would, for example, appropriately recognise the role of other agencies in promoting appropriate and sustainable tenancies for Tasmanians – for example, the impact of transport in ensuring connectivity between housing and other services such as health services, jobs, and healthy food. Reference to the Under 16 Homelessness Framework, for example, would highlight the ways the Strategy needs to link a range of homelessness, housing and other supports.⁴

Affordable housing

We note that under this focus area the Paper refers to both 'housing affordability' and 'affordable housing'. TasCOSS believes the interchangeable use of this terminology is confusing, as these terms

[homelessness/national-housing-and-homelessness-agreement#:~:text=National%20Housing%20and%20Homelessness%20Agreement.%20The%20National%20Housing,million%20set%20aside%20for%20homelessness%20services%20in%202020-21..](#)

⁴ [Communities Tasmania - Coordinated Support for Young People Under 16 at Risk of Homelessness](#)

technically refer to different things: 'housing affordability' usually refers to the relationship between expenditure on housing (prices, mortgage payments or rents) and household incomes, whereas 'affordable housing' usually refers to low-income or social housing.⁵ We recommend the Strategy includes a definition of both and uses the appropriate term throughout the Strategy and in any associated documents and communications.

In this submission we have focused on 'affordable housing' to reflect the need for strategies which prioritise the housing needs of Tasmanians for whom social housing is the only form of housing that is affordable, as well as Tasmanians for whom even social housing is out of reach. TasCOSS therefore believes the Strategy (and the Discussion Paper) needs to delineate more clearly between social and affordable housing, because they are not the same and they meet the needs of different population groups.

A series of Australian studies have shown that social and affordable housing play a key role in enhancing wellbeing and productivity. These studies also show that, conversely, lack of affordable, adequate and secure housing generates avoidable costs to the public and private sectors and reduces wellbeing and a range of societal opportunities.⁶ The costs to Tasmania are estimated to be \$16.7m per year, rising to \$23.4m per year by 2036 if the current under-investment in social and affordable housing persists.⁷

However it is defined, affordable housing means different things to different people and cohorts. A young couple struggling to save a deposit to purchase a home, but who can afford rental accommodation, have a different affordability challenge than a young person leaving care in receipt of Commonwealth Youth Allowance and is unable to find an affordable rental property. TasCOSS strongly recommends the Strategy include explicit focus on those groups who are currently unable to have their housing needs met, or whose housing needs are most acute.

What additional interventions could governments consider to improve housing affordability?

Many other states and territories in conjunction with Shelter Australia, the Australian Council of Social Service (ACOSS) and other peak bodies are researching and exploring innovative approaches to improve affordable housing. As a member of the national network of Councils of Social Service, we support calls from ACOSS for the following measures to increase access to affordable and appropriate housing:⁸

- ***A 50% increase in Commonwealth Rent Assistance (CRA)***

TasCOSS supports the call from ACOSS and others for an increase in CRA as well as a review.⁹

This is also supported by the Productivity Commission, which notes that CRA *"falls short on*

⁵ Australian Government, Australian Institute of Health and Welfare, 'Housing Affordability' (30 June 2021).

⁶ Nygaard, C, Centre for Urban Transitions, Swinburne University of Technology, 'Cost of Inaction: Social and economic losses due to the social and affordable housing shortage - The urgent case for social and affordable housing investment' (31 March 2022).

⁷ Ibid, 10.

⁸ Australian Council of Social Services (ACOSS), 'Ensuring everyone has a safe and stable home' (2022), accessed at <https://www.acoss.org.au/election-2022/election-social-housing/>.

⁹ [A secure, affordable home for everybody – ACOSS](#)

the principles of sufficiency and fairness. Even after receiving CRA payments, many recipients experience high rent burdens and rental stress.”¹⁰

- ***Sustained investment in new social housing to achieve 10% target***

The Tasmanian Government has set a target of 10,000 new affordable homes by 2023. Other Australian jurisdictions have made commitments to fund public housing,¹¹ and the Federal Government has committed to establishing the Housing Australia Future Fund to increase social housing, including investments in crisis accommodation and specialist support services.

TasCOSS believes the Tasmanian Government’s commitment to deliver more housing must focus on achieving a 10% social housing target (echoing our earlier point about needing to delineate between social and affordable housing), as well as crisis accommodation and support services.

- ***An affordable private rental incentive scheme***

A new rental investment incentive scheme is urgently needed to replace the discontinued National Rental Affordability Scheme and complement the National Housing Finance Investment Corporation, Bond Aggregator, and Housing Infrastructure Facility.

- ***Grants of suitably-located public land or financial co-contributions for the additional social housing dwellings***

Provide land to new social housing developments priced at a level that encourage and support investment in affordable housing.

- ***Accelerated re-zoning for additional social housing dwellings***

Re-zoning of land to allow for government-funded and social housing developments.

- ***Regulate rent increases***

See section below on review of the Residential Tenancy Act.

- ***Consider an ‘empty homes tax’***

TasCOSS notes some community organisations including the Tenants Union have been calling for a vacant property/disused building tax, noting recent reports of high numbers of empty residential properties in major population centres.¹² Other jurisdictions have introduced an ‘empty homes tax’ to encourage the sale or rent of properties to long-term tenants and raise revenue which could be re-distributed towards housing initiatives.¹³

¹⁰ [Overview - In need of repair: The National Housing and Homelessness Agreement \(pc.gov.au\)](#), p.18

¹¹ For example, Victoria’s Big Housing Build – more information about this initiative, see Victorian Government, ‘Victoria’s Big Housing Build’ (15 November 2020), accessed at <https://www.premier.vic.gov.au/victorias-big-housing-buildinfo>.

¹² [Empty Homes Data - Tenants' Union of Tasmania Tenants' Union of Tasmania \(tutas.org.au\)](#)

¹³ The Australian Government introduced an empty homes tax on foreign owners of residential premises in 2017. [Vacancy fee for foreign owners | Australian Taxation Office \(ato.gov.au\)](#)

TasCOSS recommends the Government explores both the potential costs and benefits of a Vacant Residential Property Tax (using the Victorian example as a model), as well as alternative schemes which focus on redistribution of revenue. One example of a scheme which could be explored is a social housing growth fund, which could receive contributions from stamp duty as well as a percentage of market value for new developments.¹⁴

While acknowledging some interventions are the responsibility of other levels of government, the Strategy should identify how the Tasmanian Government will engage with its stakeholders to progress and deliver its affordable housing measures, and address the cost-shifting to the state that occurs when programs such as the CRA are inadequately funded or ended.

What scope is there to increase the role of the private and community sectors in improving housing affordability?

See the recommendations throughout this submission for actions the private and community sectors can take to improve housing affordability.

What other issues would you like to be considered regarding housing affordability?

The Strategy must address as a priority those with the most urgent housing needs. Although the Paper has a section on 'Pathways for Tasmanians out of homelessness' which focuses on increasing the supply of shelters and other accommodation, we would like to see measures to prevent homelessness both from a housing supply standpoint, but also through recognition of the factors which contribute to increased rates of homelessness in the community, such as poverty and family violence. We also believe the Strategy should include a focus on how to better support people experiencing homelessness to attain and retain secure, safe and affordable housing.

TasCOSS does not support the use of public funds for first home-owner grants and stamp duty concessions, which evidence shows only serve to drive up house prices and mainly benefit those who were already going to purchase a home, with the grants bringing forward their planned purchase rather than making purchasing a possibility for people otherwise priced out of the market. This was the finding of a recent Productivity Commission report, which found:

*"As a first step, governments should phase out first home owner grants and stamp duty concessions (ideally in concert with wider reforms to stamp duty) unless these measures are targeted at people experiencing marginalisation in the housing market. Savings should be redirected to supporting people who are homeless or at risk of homelessness (including because of rental stress)."*¹⁵

¹⁴ A similar scheme was recently announced (but not yet enacted) in Victoria - for more information, see Benita Kolovos, 'Victoria to impose \$800m levy on property developers to fund social housing', The Guardian (online, 18 February 2022), accessed at <https://www.theguardian.com/australia-news/2022/feb/18/victoria-to-impose-800m-levy-on-property-developers-to-fund-social-housing>.

¹⁵ Australian Government, Productivity Commission, 'In need of repair: The National Housing and Homelessness Agreement, Study Report' (August 2022), 32.

We believe other measures to support people on lower incomes into home ownership could be effective, such as governments and the financial services sector co-designing with people experiencing barriers to home ownership – such as young people, older women, and people living on low fixed incomes - more accessible and affordable home lending products.

Noting increased rental prices and decreased rental vacancies across Tasmania, what are some of the ways the challenges in the private rental sector, particularly around security of tenure, could be addressed?

The last five years or so have seen major changes in the rental market. As well as huge increases in rents – they have increased by 27% in North-West Tasmania, by 45% in Greater Hobart and by 49% in Launceston – rental vacancy rates are historically low, at 1.1% in Hobart, 0.9% in Launceston and 1.2% in the North West in the June quarter 2022.¹⁶ The tight rental market has resulted in a growing imbalance of bargaining power between landlord and tenant, with tenants reluctant to request basic repairs and maintenance for fear of not having their lease renewed. In this environment TasCOSS believes the state government needs to take the responsibility for identifying and enforcing breaches of the *Residential Tenancy Act 1997* (RTA).

As well as pressures created by the rental market, recent research is showing that fewer Australians are in a position to purchase their own homes, and that many Australians will be renting for the foreseeable future. Legislation and policy therefore need to ensure both the rights of rental tenants and better legislative protections to uphold their rights and access suitable, secure housing. This won't be addressed by increasing rental housing stock or supply alone and requires a response which includes a review of both the relevant legislation and policies around conditions and minimum standards in rental properties.

TasCOSS therefore believes that Tasmania's RTA requires a comprehensive review to ensure the right to housing is better protected. Areas recommended for review include:

- Security of tenure
- Rent controls (at least temporarily)
- Specific needs relating to family violence survivors
- Digital access
- Standard Forms and Lease Agreements
- Laws relating to pets¹⁷
- Legislated support for tenancy advocacy services¹⁸

¹⁶ Real Estate Institute of Tasmania, 'Market transitioning to meet interest rate increases' (Media Release, 8 August 2022).

¹⁷ See RSPCA's submission to the Discussion Paper and Tenants Union Tasmania, 'Reform of the Residential Tenancy Act – Pets' (10 August 2022), accessed at <http://tutas.org.au/reform-of-the-residential-tenancy-act-pets/>

¹⁸ This was emphasised in discussions with Safe Space Hobart, who explained that the transition from homelessness to being housed is not always straightforward and many people need various kinds of support to be able to retain their tenancy. Similarly, people leaving care or young people leaving home might also benefit from tenancy support.

The recent Productivity Commission report on the NHHA also recommends tenancy reform and expanding tenancy support services in order to encourage security of tenure in the private rental market. Australian Government, Productivity Commission, 'In need of repair: The National Housing and Homelessness Agreement, Study Report' (August 2022), 342-346.

- Minimum energy efficiency standards (see recommendations under the ‘Sustainability’ section below).

Another measure that would improve security of tenure for tenants is a timely alternative dispute resolution pathway for simple rental disputes before reaching the eviction stage. Relatively simple disputes of fact that may fall within this ambit include rental repairs, compensation, bond disputes and rent arrears. We therefore recommend expanding the power of the Residential Tenancy Commissioner to conduct mediation or conciliation of disputes beyond boarding premises to also include residential tenants.

Aside from the issues raised above, there are also questions relating to minority groups’ access and experience of the private rental sector. A recent report from Victoria,¹⁹ for example, has highlighted the barriers faced by Aboriginal Victorians in entering the private rental market. These concerns echo concerns raised in consultation with our member organisations in relation to minority groups in Tasmania – for example, the experience of discrimination and/or racism experienced by migrant, refugee and CALD communities when applying for or renting a property.

The Victorian report made a number of recommendations which could be considered in the Tasmanian context, including but not limited to the following:²⁰

- The development of a co-designed information campaign to promote equitable access to rental housing, as well as targeted compliance mechanisms targeted at estate agents, rental providers and residential tenancies database operators.
- The development and funding of mentoring and/or housing support officer programs to provide additional assistance where needed.
- The delivery of cultural awareness training across the real estate industry (which should include identifying and responding to barriers to access for Aboriginal tenants), and targeted programs to train and recruit Aboriginal property managers.
- A review of access of Aboriginal renters to existing tenancy advice and related services to improve access and better integrate existing supports.

How could the effects of the short-stay accommodation industry on the rental sector be managed into the future

Recent research commissioned by Shelter Tasmania has demonstrated the impact of the short stay accommodation sector on housing in Tasmania. As well as analysing the Tasmanian market, the report notes a range of studies that demonstrate a link between an increase in Airbnb activity and increases in rent and/or house prices.²¹ TasCOSS therefore supports calls from community organisations including

¹⁹ Stone, W.M., Goodall, Z.A, Peters, A. and Veeroja, P. ‘Aboriginal Private Rental Access in Victoria: “Excluded from the Start”’, A Report Commissioned by the Consumer Policy Research Centre, Swinburne University of Technology, Melbourne (2021).

²⁰ For an overview of the recommendations, see Commissioner for Residential Tenancies, Aboriginal Housing Victoria, Victoria Legal Aid and Consumer Policy Research Centre, ‘Recommendations arising from Aboriginal Private Rental Access in Victoria: “Excluded from the Start”’ (November 2021).

²¹ Phibbs, P and Ely, J, Shelter Tasmania, ‘Monitoring the Impact of Short-Term Rentals on the Tasmanian Housing Markets: Baseline Report’ (June 2022).

Shelter Tas and the Tenants Union of Tasmania for urgent action and reform in relation to short-term accommodation in Tasmania to address unmet housing need in our community.²²

TasCOSS also proposes Ministerial intervention through the Tasmanian Planning Scheme, by issuing a directive that restricts all future permits for established investment residential properties being converted into short stay accommodation in general residential zoned areas. A freeze on issuing of permits could be introduced initially for a limited period (for example, 12 months) to allow an assessment of market conditions. A reconsideration of whether the freeze should be lifted could then occur once there has been a significant change in rental vacancy rates (for example, once the rental vacancy rate has increased to above 2.5%).

At the very least we argue that all short stay accommodation hotspots should be eligible for Ministerial intervention along the lines of Planning Directive No. 6, which saw visitor accommodation excluded as a permitted use in Battery Point and placed limits of the floor area within the Wapping area.²³

TasCOSS also encourages the Tasmanian Government to look to the examples of other jurisdictions where measures are either in place or emerging to mitigate the increasing impact of short stay accommodation on housing affordability, such as occupancy taxes on short term rentals, with the relevant platform responsible for calculating, collecting and remitting the taxes.

Housing supply

TasCOSS strongly recommends a comprehensive view of ‘housing supply’ which not only considers the need for additional housing infrastructure, but also increased services and supports for Tasmanians to ensure they are able to access and maintain housing as well as other services.

What must be considered to make sure new housing meets diverse needs into the future?

We urge the Government to utilise principles of universal design and liveable design, to ensure all new housing supply (from private residential supply to affordable and social housing) supports co-existing needs – for example, access to services including transport, food and health services and education and employment in locations that promote strong community connection and with access to natural, green spaces. These same principles must also be applied to existing supply.

TasCOSS has previously advocated for universal and liveable design approaches to Government services,²⁴ noting that systems which meet the access needs of Tasmania’s most vulnerable residents will meet the needs of most Tasmanians, as well as supporting those who are experiencing a limited period of vulnerability. Embedding these principles in housing design would see improved access for many Tasmanians; for example, installing access ramps may improve access for people with physical disability,

²² Ibid. and Tenants Union Tasmania, ‘Short-term Accommodation: Time for a re-think’ (17 June 2022), accessed at <http://tutas.org.au/short-term-accommodation-time-for-a-re-think/>.

²³ Tasmanian Planning Commission, ‘Planning Directive No. 6 - Exemption and Standards for Visitor Accommodation in Planning Schemes’ (1 August 2018).

²⁴ See TasCOSS, Submission to Department of Health, ‘Our Healthcare Future’ (February 2021) 18 and 38.

but the ramp may also benefit otherwise able-bodied people (for example, a parent pushing a pram, or someone carrying a heavy load).

Similarly, the Government should consider housing initiatives which promote active, healthy lifestyle choices - for example, housing design which increases the walkability of neighbourhoods by ensuring there are footpaths, adequate lighting to make sure people feel safe to travel by foot and access to public toilets and water fountains. TasCOSS recommends planning initiatives which incorporate some or all of the principles outlined in the Planning Institute of Australia's national guide to planning, *Healthy Spaces and Places*, which include the following:

- Planning for active transport (such as walking, cycling or using public transport which is accessed through walking or cycling).
- Environments for all people, with suitable facilities for people of different ages, physical abilities, cultures or incomes.
- Mixed density residential development to promote diversity, as well as mixed land use, parks and open space.
- Supporting infrastructure to encourage regular and safe physical activity (such as footpaths, adequate lighting, access to water and signs).²⁵

Housing developments and housing design should also be grounded in place-based principles and developed in consultation with community to better reflect the needs and preferences of the local community.²⁶

How can housing supply respond rapidly to changing social and economic environments?

TasCOSS believes communities are best supported by a housing sector that is integrated not just with the community support sector but other services and opportunities such as employment and education and training.

Consultation with our member organisations highlights the need for the government to work with relevant sectors to plan and implement responses for particular cohorts with specific housing needs. For example, short timeframes to re-house newly arrived migrants means housing designed as temporary accommodation is being used for long periods, which then limits availability of supply for the next arrivals. Similar issues arise with international students coming to Tasmania.

What can be done to further improve planning processes in Tasmania, particularly in the context of the delivery of social and affordable housing and increased density via infill development?

TasCOSS is aware of delays for planning approvals faced by community housing providers. Long waits between development applications and planning approvals delay much needed construction and result in cost overruns for community housing providers, both of which impact on the ability to deliver affordable housing for Tasmanians. We echo calls from community housing providers for accelerating re-

²⁵ Planning Institute of Australia, *Healthy Spaces and Places: a national guide to designing places for better living* (August 2009).

²⁶ Ibid.

zoning of land to allow for government-funded and social housing developments. In some cases the delays are due to community opposition – see the final point in this section for our response.

What scope is there to increase the role of private developers and local government in improving housing supply?

TasCOSS supports the introduction of inclusionary zoning measures, particularly in relation to sales of government land. We believe these measures would significantly increase the percentage of social and affordable housing in Tasmania, particularly in new residential development areas.

TasCOSS also supports the introduction of initiatives to encourage the development of land for housing rather than ‘land banking’.²⁷

How can we bring whole communities along to promote the benefits of social and affordable housing in local areas?

Shelter Tasmania has proposed a ‘Yes In My Backyard’ (YIMBY) campaign to counter community objections, based on stereotypes, to social housing initiatives in Tasmania.²⁸ These objections are delaying and sometimes derailing proposals for much-needed affordable housing. TasCOSS supports Shelter’s call.

Sustainable housing

What actions are needed to improve sustainability of housing?

Energy efficiency measures (described below) together with adopting universal and liveable housing design principles are key actions to improve the sustainability of housing. Other matters to consider in sustainable housing include orientation, eco-friendly building materials, water efficiency, food and garden space, and green space.

What Government assistance programs could help young people and people with changed life circumstances access affordable home ownership?

As noted above, we recommend governments work with stakeholders including the financial services sector, community housing providers and people with lived experience of various barriers to accessing home ownership, to design more accessible and affordable home lending products and programs.

What can be done to improve the energy efficiency of existing and new homes?

Addressing Tasmania’s poor housing stock must be a priority of the Tasmanian Housing Strategy. With Tasmanians having the highest electricity bills in the country, and these bills mounting in the wake of surging energy prices and cost of living pressures, the case for investment in household energy efficiency measures has never been stronger. A rapid uptake of household energy efficiency measures will:

- ease cost of living pressures by immediately reducing energy bills;
- help prevent energy hardship;
- create jobs and economic stimulus;

²⁷ [Land banking an issue right across Tasmania, LGAT warns - Australian Local Government Association \(alga.com.au\)](https://www.alga.com.au/land-banking-an-issue-right-across-tasmania-lgat-warns)

²⁸ Shelter Tasmania, Submission to the State Government Budget Process 2022-2023 (2021), 8.

- reduce emissions and help to achieve our renewable energy goals;
- reduce poverty and inequality; and
- improve health and wellbeing.

Improving energy efficiency in homes will help lower energy bills and improve the health and wellbeing of Tasmanians. Around one-in-five Tasmanian households are struggling under the pressure of high energy bills.²⁹ These households either ration their energy or go without other essentials such as food or medicines to afford their energy bills, both of which lead to unhealthy outcomes.

The Victorian Healthy Homes Program evaluation found significant cost savings as a result of energy efficiency upgrades: *“Cost-benefit analysis indicated that the upgrade would be cost-saving within 3 years – and would yield a net saving of \$4,783 over 10 years – due to savings in both energy and health. Savings were heavily weighted towards healthcare: for every \$1 saved in energy, more than \$10 is saved in health.”*³⁰

The Strategy must prioritise improving the energy efficiency of existing and new homes by investing in household energy efficiency, adopting 7 star new housing by 2023 and introducing mandatory minimum energy efficiency standards for rental properties.

- **Household Energy Efficiency Program**

TasCOSS developed a Budget Priorities Statement (BPS) in March 2021 that proposed a bold program of investment in household energy efficiency initiatives targeted to Tasmanians on low incomes. Our proposal for a *Household Energy Efficiency Program* would support households with investments in energy efficiency upgrades for social housing, low income owner-occupier homes and rental properties.³¹

Eligible upgrades would include energy efficiency products such as reverse cycle air conditioners for heating and cooling, more efficient hot water (heat pumps), insulation and draught sealing, ceiling fans, appliance replacement, lighting and solar systems. Importantly, this initiative will lower energy bills and improve the health and wellbeing of Tasmanians. In addition, it will lower emissions, help to achieve the Tasmanian Government’s renewable energy goals, create jobs and provide economic stimulus.

TasCOSS recommends a program of investment in household energy efficiency upgrades to improve the energy efficiency of existing homes.

²⁹ Bryant, D, Porter, E, Rama, I & Sullivan, D 2022, *Power pain: an investigation of energy stress in Australia*, Brotherhood of St. Laurence, Fitzroy, Vic.

³⁰ [The Victorian Healthy Homes Program – Research findings \(sustainability.vic.gov.au\)](https://sustainability.vic.gov.au) p5

³¹ [Household Energy Efficiency Initiatives: creating jobs, stimulating our economy and lowering power bills, 2021/22 TasCOSS Budget Priorities Statement.](#)

- **7 star energy rating**

Changes to the 2022 National Construction Code (NCC), which lift minimum Nationwide House Energy Rating Scheme (NatHERS) energy efficiency ratings for new homes from 6 to 7 Stars, must be adopted in the strategy.

Commonwealth, state and territory Building Ministers all agreed to adopting a minimum standard of 7 stars, but Tasmania has chosen to delay implementation until the next iteration of the NCC in 2025, whereas most states have committed to the shortest possible timeframe.

All Tasmanian homes should be safe, healthy, comfortable and affordable. TasCOSS strongly supports the immediate introduction of higher energy standards for new homes which will reduce energy bills, reduce emissions, and result in homes that are healthier, more comfortable, and more resilient to weather extremes. Delaying the lifting of standards will lock in higher costs and poorer performance for the lifetime of new homes. Furthermore, the cost to retrofit homes in the future will be higher for households and governments.

Tasmania's deferral of NCC 2022 is inconsistent with the *Ministerial Statement of Expectations* for the new housing authority – Homes Tasmania – which calls for a NatHERS 7 star rating for new housing construction. Establishing a minimum 7 star standard in the Strategy will set a standard for government, industry and the community, that will help to avoid inconsistencies that lead to higher costs for some households.

- **Minimum energy efficiency standards for rental homes**

All renters, regardless of their means, have the right to live in healthy homes. Tasmanian rental properties should, therefore, meet basic energy efficiency standards which minimise the amount of energy required to heat or cool a home. Minimum energy efficiency standards for rental properties will ensure Tasmanians who rent benefit from healthier homes and lower power bills.

What else can be done by stakeholders to improve sustainability?

Tasmania is already facing impacts from climate change, which will only grow with inaction and will drive social inequality into the future. These impacts will disproportionately affect Tasmanians on low incomes, who are less able to afford to move or modify properties against climate change impacts, less likely to have property insurance or to be able to absorb insurance premium rises, and less able to make other adjustments to their living circumstances.

Further actions to improve sustainability include:

- Investment to strengthen climate and disaster resilience.
- Development of policies and measures to support people to adapt, cope and recover from disasters or extreme events, such as –
 - provision of relevant information about the effects of climate change and the actions people can take;
 - including social inclusion elements into climate adaptation strategies;

- better transport options, especially public transport, for people to access services;
 - develop and strengthen local communities' capacity to adapt to local environments and climates and assist people and support one another in times of adversity caused by climate change;
 - planning for those who are dependent on others;
 - services that assist people of all cultures and languages; and
 - fund community sector organisations to expand direct monitoring of people who are particularly vulnerable during emergencies.
- Measures to improve the affordability and accessibility of building, contents and income protection insurance products for people living on low incomes.

Conclusion

Tasmania is currently not able to provide the right to shelter for thousands of Tasmanians. This has been the case for many years but the data tells us the problem is getting worse. We must remember that every Tasmanian who does not have a safe, secure, appropriate and affordable place to call home is not having one of their fundamental human needs met. This has consequences for them, their families, their communities and Tasmania as a whole.

The 20 year Tasmanian Housing Strategy is an opportunity to address this by committing to house every Tasmanian - and to put a timeframe on that commitment.

Our submission has argued that this commitment must begin with housing Tasmanians in the most vulnerable circumstances. We have also argued that the Strategy must address issues beyond supply and demand and physical infrastructure and include the homelessness and housing support workforce that assist Tasmanians to attain and retain housing.

We can and must ensure that every Tasmanian has a home.

Recommendations

TasCOSS makes the following recommendations in relation to the Strategy.

General

- Includes measures to meet the needs of the homelessness and housing support sectors.
- Refers to a 'housing system' rather than a 'housing market'.
- Refers to housing market 'failure' rather than housing market 'challenges'.
- Makes clear how progress is to be monitored, measured and reported, with clear actions, targets, and timeframes.
- A medium-term target is set for 10% of residential dwellings in Tasmania to be social housing.
- Includes references to other government agencies, strategies and frameworks that impact on the housing system.

Affordability

- Defines housing affordability and affordable housing, and uses the terms appropriately throughout the Strategy and in all associated documents and communications.
- Defines affordable housing and social housing, and uses the terms appropriately throughout the Strategy and in all associated documents and communications.
- Includes an explicit focus on those groups who are currently unable to have their housing needs met, and/or whose housing needs are most acute.
- Includes measures to prevent homelessness and to attain and retain secure, safe and affordable housing.
- Endorses a 50% increase in Commonwealth Rent Assistance (CRA) and addresses cost-shifting resulting from inadequate federal funding.
- Outlines sustained investments in new social housing to achieve 10% target.
- Considers an affordable private rental incentive scheme.

- Government and the home finance sector work with people experiencing barriers to home ownership to design more affordable home lending products.
- Grants of suitably-located public land or financial co-contributions for the additional social housing dwellings.
- Regulates rent increases.
- Ceases the use of first home owner grants and stamp duty concessions.
- State Government takes responsibility for identifying and enforcing breaches of the *Residential Tenancy Act 1997* at least until the rental market eases.
- A comprehensive review of the *Residential Tenancy Act 1997* is undertaken.
- Expands the power of the Residential Tenancy Commissioner to conduct mediation or conciliation of disputes for residential tenants.
- Measures to reduce discrimination in the private rental market.

Supply

- Considers an ‘empty homes tax.’
- Limits on whole homes on the short stay accommodation market.
- Introduces inclusionary zoning.
- Incentives to end land banking.
- Incorporates planning principles outlined in the Planning Institute of Australia’s national guide to planning, *Healthy Spaces and Places*.
- Accelerates re-zoning for affordable and social housing alongside community education about the benefits of mixed housing developments.
- Government works with relevant sectors to better plan housing responses to increased migration.

Sustainability

- Apply principles of universal design, liveable housing design and community co design to new and existing housing supply.

- Improves energy efficiency of new and existing homes by investing in household energy efficiency upgrades, adopting 7 star energy ratings for new housing by 2023 and introducing mandatory minimum efficiency standards for rental properties.
- Investments to improve disaster and climate resilience.
- Develops policies and measures to support people to adapt, cope and recover from disasters and extreme weather events.