

RESPONSE TO PETITION

Petition No.8 of 2022

House of Assembly

The petition asks the House to:

1. Support legislation that will permanently restrict short term stay to the primary residence of any homeowner;
2. Support legislation to permanently cap rents at a maximum of thirty percent of the income of tenants;
3. Support legislation that will permanently ban the eviction of any tenant without good reason;
4. Support legislation to build or repurpose a minimum of 10 000 dwellings for public housing by 2030; and
5. Support legislation that will guarantee housing for all and secure housing as a human right.

GOVERNMENT POSITION:

The Tasmanian Government, through Community Services, Infrastructure and Housing (CSIH) Division in the Department of Communities welcomes the petition. It is clear that many people are concerned about housing and homelessness matters and that is why the Government is acting to address the issues raised.

There has been considerable demand for housing of all types in Tasmania over recent years, due in part because Tasmania sustained record levels of population growth.

The Tasmanian Government is responding to market pressures by delivering the 10-year \$1.5 billion housing package to provide 10 000 new social and affordable homes by 2032.

The Government is committed to reducing housing stress through a range of programs and supports, including making home ownership more accessible and affordable.

The comprehensive Tasmanian Housing Strategy will bring together the plan for the future; outlining priorities and actions to deliver new social housing, more homeless accommodation and affordable home ownership for Tasmanians.

The cornerstone of the plan is Tasmania's new housing authority 'Homes Tasmania', which will be tasked with building and acquiring these homes, as well as partnering with the sector. Legislation to create Homes Tasmania received Royal Assent on 17 October 2022.

The Tasmanian Government has made access to social and affordable housing a priority ensuring more homes for Tasmanians in need.

RESPONSE:

1. The Tasmanian Government continues to monitor short stay accommodation closely. The Government introduced the Short Stay Accommodation Act 2019 to address some of the issues arising with short stay accommodation. The Act allows the Government to collect data on the number of properties listed on short stay accommodation platforms in residential zones. Booking platform providers are required to provide information. The Act aims to:
 - a. ensure all short-stay providers are playing by the same set of rules
 - b. provide comprehensive data regarding the extent of short-stay accommodation across Tasmania;
 - c. assist councils in their enforcement of the planning rules; and
 - d. councils are responsible for registering short stay accommodation and some councils, such as Hobart City Council, are considering ceasing to issue any new permits for entire homes to be used for short-stay accommodation.

Websites used to offer short stay accommodation must provide listing data to the Director of Building Control within one month of the end of each financial year quarter. This data can be used to inform future planning policy decisions and local government compliance activities.

According to the most recent short stay report prepared by Consumer, Building and Occupational Services, almost half (47.7%) of short stay providers are advertising their principle place of residence. The Government continues to assess the role played by short stay accommodation, including the support it provides Tasmania's visitor economy which, in the year to March 2022, accounted for more than 33,000 jobs, 6% of Tasmania's Gross State Product and comprised more than 740,000 visitors.

Through the implementation of Planning Directive No.6 the Government has implemented a fair and consistent approach to the regulation of the short-stay accommodation sector. This included exemptions in regard to home sharing as well as standard planning rules (acceptable solutions and performance criteria) which provide the basis for whether a proposed change of use to short-stay accommodation would be considered permitted, discretionary or prohibited.

The rules of the Planning Directive are included within the State Planning Provisions, which as required by the legislation and are currently being reviewed. The review will provide Tasmanians an opportunity to have their say in regard to the short-stay provisions and consideration will be given as to whether the current settings are appropriate or need adjustment.

2. The *Residential Tenancy Act 1997* (RTA) is administered by the Department of Justice, regulating all residential premises. The Residential Tenancy Commissioner, established under the RTA, assesses whether rent increases are unreasonable. In mainstream rental arrangements, rents are set by owners and are based on the broader market. There are existing protections against unreasonable increases in rent in the RTA, namely:
 - a rent increase must be given in writing, with a minimum of 60 days' notice before it is to take effect;
 - rent can only be increased once in a 12-month period and not less than 12 months after the residential tenancy agreement commenced or was extended or renewed; and
 - a tenant who considers that a rent increase is unreasonable can apply to the Residential Tenancy Commissioner for an order declaring the rent increase unreasonable.

The Residential Tenancy Commissioner may order the increase is unreasonable and prevent it entirely or determine it is partially unreasonable and reduce the value of the increase.

Similarly, in order to ensure adequate supply of housing in the context of residential tenancy, there needs to be a balance between the rights and responsibilities of tenants and property owners. The current provisions of the RTA strike a reasonable balance and further market interventions should be considered and approached carefully.

Tenants in social housing, unlike mainstream rental arrangements, are charged rent which is tied to income. This rent is capped at between 25-30 per cent of the tenant's income. Income-based rent setting has been found to be a very effective model in keeping rents affordable in social housing.

3. The RTA specifies the circumstances in which a residential tenancy agreement can be terminated. Residential tenancy agreements can only be terminated in line with the requirements of the RTA.
4. Homes Tasmania will be tasked with building or acquiring 10 000 new social and affordable homes by 2032 in partnership with the sector and other partners. A new Tasmanian Housing Strategy is also being developed to bring together the plan for the future outlining priorities and actions to deliver new social housing, more homeless accommodation and affordable home ownership for Tasmanians.
5. The legislation which establishes Homes Tasmania recognises that housing is a human right. Australia is a signatory to the *International Covenant on Economic, Social and Cultural Rights*. Article 11(1) sets out the international obligation to recognise the right of everyone to an adequate standard of living, including adequate food, clothing and housing, and to the continuous improvement of living conditions. In this context, the Tasmanian Government continues to strive to improve the circumstances of all Tasmanians, particularly those in need.



Guy Barnett MP
Minister for State Development, Construction and Housing

Date: 21 October 2022