

DRAFT TASMANIAN HOUSING STRATEGY Planning Matters Alliance Tasmania (PMAT) submission

About PMAT

The <u>Planning Matters Alliance Tasmania</u> (PMAT) is a growing network of almost 70 community groups from across Tasmania advocating for a strategic, sustainable, transparent and integrated planning system which will serve to protect the values that make Tasmania a special place to live and visit. It is these values which attract people to Tasmania and are our point of difference to the rest of the world.

Planning and Housing

PMAT understands the critical need for housing, including social and affordable housing. One of our <u>founding concerns</u> was that the Tasmanian Planning Scheme contains no provisions to encourage affordable or social housing. In building resilient communities it must be recognised that housing and homelessness is a Human Rights issue *.

We consider that good planning, transparent decision making and the delivery of social and affordable housing need not be mutually exclusive. Indeed good planning can result in delivery of both more and better housing. To achieve this PMAT is of the view that:

- Effective strategic planning at the State and regional level through measures such as
 Tasmanian Planning Policies (TPPs) and Regional Land Use Strategies should ensure that
 appropriate housing is provided in locations where it is needed while minimising adverse
 impacts on other planning system objectives such as environmental values and
 neighbourhood amenity;
- **Provision of infrastructure to support communities** including transport, schools, medical facilities, emergency services, recreation, jobs, training, and public open space. These should be considered/mandated in the planning process and not an afterthought;
- Best practice design for houses and neighbourhoods. This should be adopted so that
 housing developments not only provide a place for people to live but result in better
 amenity, health and environmental outcomes; and
- New developments should contain a proportion of social and/or affordable housing. It is understood that a mandated level of at least 10% social housing (or equivalent developer financial contribution) is a model that has been successfully adopted elsewhere.



Instead of managing housing through Tasmania's key planning document, the Tasmanian Planning Scheme, in 2018 the Tasmanian Government introduced a fast track land rezone process called the Housing Land Supply Orders (e.g. Housing Order Land Supply (Huntingfield)). Taking this approach compromises strategic planning and transparent decision making. For example, the State Government becomes both the proponent and the assessor under this arrangement.

Taking zoning and planning assessments outside the Tasmanian Planning System risks an ad hoc approach to housing that makes an integrated approach more difficult. This works against delivering quality housing outcomes. There is a risk too of conflict between the new Tasmanian Housing Strategy, the Tasmanian Planning Policies and local/regional plans such as the Greater Hobart Plan that will make cohesive management and implementation difficult.

What is Causing the Housing Problem?

Understanding the broad context is critical. The Tasmanian Government is arguing that the shortage in availability of social and affordable housing can be addressed – at least in part – through the Housing Land Supply Orders and the recently created Homes Tasmania. It is noted that the *Homes Tasmania Act 2022* while aimed at allieviating the shortage of social and affordable housing has the potential for adverse impacts by bypassing the planning system. It is important to look at the broader context of the housing problem.

Some of the factors contributing to the shortage of affordable housing relate to policy settings controlled at the State level, but many others arise from long term national approaches to taxation, financial policy, investment and population growth. The following are key contributors to the current housing issues:

- Australia's historically very high net immigration rate up until 2020. It is noted too that
 Tasmania is pushing population growth targets (650,000 by 2050), but without any proper
 community consultation or consensus on what the State's long term population should be.
 This is compounded by a lack of strategic planning by the State on where these extra people
 will live and the provision of infrastructure and services to support them.
- The intent of planning instruments such as the draft Tasmanian Planning Policies is acknowledged but there are few implementation guidelines and they do not articulate clearly to the SPPs.
- The State Government's pursuit of record and growing tourism visitation numbers and consequent uncontrolled short term accommodation development for tourism reduces long term rental supply and puts pressure on availability and prices.
- The raft of Commonwealth controlled policies which promote investment in properties but do little to address social and affordable housing needs. These include:



- > negative gearing and capital gains tax concessions on real estate;
- foreign and interstate investment in real estate;
- interest only home loans; and
- inclusion of real estate as an option for self-managed superannuation.

Our current housing issues can be seen largely as a demand issue associated with population growth and the treatment of housing as a commodity with tax breaks, rather than a basic necessity of life. It should not be regarded solely as a land supply and planning issue. These requirements are not a major factor in addressing the problem – two decades of planning reforms around Australia appear to have had little effect on solving the affordable housing problem. The root causes must be addressed, as well as building more housing stock to meet immediate demand.

It is acknowledged that more supply is required in the short term. Nevertheless it must be recognised that the State Government has contributed to the current problems through programs that encourage migration to the State to support population targets that may be unsustainable. This has happened without the investment in the infrastructure and services required and has had a detrimental impact on the lives and opportunities of many Tasmanians trying to access housing. The current population targets - and associated programs - should be reviewed with the aim of reducing pressures on the housing market.

A national approach is deemed to be necessary, and the Federal Government's recently announced *National Housing Supply and Affordability Council* may help provide solutions in the longer term. However, to be effective in the longer term these supply measures need to be accompanied by changes to those national policies which encourage real estate investment at the expense of affordable housing.

PMAT welcomes the opportunity to contribute to the ongoing dialogue around the provision of social and affordable housing – and to be part of achieving some long term solutions that benefit the whole of Tasmania. Full consultation with the community is an important part of developing the Strategy and PMAT can help here by identifying community groups with involvement in land use planning issues that can be actively engaged in the process.

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^{*} International human rights law recognises that every person has the right to an adequate standard of living. This right includes the right to adequate housing. *International Covenant on Economic, Social and Cultural Rights*, article 11; *Convention on the Rights of the Child*, article 27;.