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#### **Online Submission: Regional Development Australia Tasmania**

Tasmanian Housing Strategy Discussion Paper

The Tasmanian Government is to be congratulated for exploring solutions to ensure the housing system meets the needs of Tasmanians into the future.

Regional Development Australia Tasmania (RDA Tasmania) welcomes the opportunity to provide this submission for the Tasmanian Housing Strategy. RDA Tasmania are pleased to assist the Tasmanian Housing Strategy to explore solutions with our community's wellbeing at the centre. This wellbeing will create a healthier and more creative community that can enjoy our states broader economic opportunities.

Regional Development Australia is an Australian Government initiative established to encourage partnership between all levels of government to enhance the growth and development of Australia's regional communities. RDA committees operate under a national RDA Charter and report to the



Australian Government on key outcomes. A national network of 55 RDA committees has been established and RDA Tasmania represents the entire state of Tasmania. A key focus of RDA Tasmania is on the economic, social and environmental issues affecting communities.

## Important Points Addressed in the Discussion Paper

RDA Tasmania are pleased to see the mention of *Supply also needs to be matched with infrastructure to ensure appropriate access to services, employment, education and transport* on page 27 of the report. People on low incomes are an important part of our community. We need housing that allows each Tasmanian to fulfil their potential. This includes the ability to easily access services, their community and be comfortable in their homes. Comfort can be as simple as having a place to study, easy access in the kitchen and bathroom if using a wheelchair and even being able to sit in the sun and eat breakfast. These features do not necessarily require additional funds, but they do require additional understanding and thoughtful design. A home also needs to be enjoyed without the impost of high ongoing expenses.

The mention of *population variations within cities and regions based on movement to and from areas for employment opportunities, including seasonal work and emerging industries* on page 28 is an important point. RDA Tasmania are keen to see industry roll up their sleeves and show interest in the Tasmanian Housing Strategy. We encourage the Tasmanian Housing Strategy to establish a pathway for industry to come to the government with solutions for their sectors and communities.

According to one of our local council General Managers; *Tasmania has a surplus of bedrooms and an undersupply of accommodation*. This is an insightful comment. The ability to increase the density within existing developments is to be encouraged. This makes the Tasmanian Government's announcement noted on page 21 to *Work with councils to explore options to develop "shop top" accommodation* a priority. Page 21 also notes the announcement to *Introduce a new Apartment Code to simplify medium-density apartment and townhouse approvals*. RDA Tasmania suggests that these provisions can assist the market to play a greater role in meeting the needs of the community.

We are pleased to see numerous references to *diversity* in housing needs. An example of this is; *A diverse housing market is required to provide sufficient supply of housing types that match the needs of future population projections and household configurations* on page 33. We encourage additional resources be made available to developments that include a low-cost housing component. These additional resources could assist residential landowners navigate council requirements and accelerate approvals. This can reduce a barrier for development for those who do not have development experience but do own residential land. For the more experienced developer; the faster a development can be approved, the sooner developers can create a return on investment and the more attractive diverse housing developments will be.

Tasmania has the most rapidly ageing demographic of any state or territory and it is also important take into account the changing housing needs across a lifetime. Data shows our region has low occupancy levels in the current housing stock, with parents often staying on the large family home. Tasmania could be a leader in developing models to create more attractive, available, and well located, down-sized housing options that are suitable for varied mobility and the needs of ageing.

TASMANIAN HOUSING STRATEGY Submission to the Discussion Paper

## Finance, Banking, Wealth Creation and Housing

Finance is an important aspect that needs further attention. King Islands and Flinders Island residents are significantly disadvantaged due to the requirement to save more for a deposit to purchase a home than other parts of Tasmania. Banks also have restrictions on lending money to fund the purchase of smaller properties. This restricts investment for the lower end of the market. While we understand this is not an aspect the Tasmanian Housing Strategy can control, the Tasmanian Housing Strategy can use its voice to inspire quality conversations with the finance sector. This has the potential to inspire a fresh perspective.

There is significant wealth being created in the housing sector and significant poverty. Australian's are building the biggest homes in the world and yet we have issues with homelessness. This is not an issue unique to Tasmania and we would encourage the Tasmanian Housing Strategy to continue and strengthen communication with other regions of Australia. Each state has it's own unique formulae to provide housing security, and collaboration can accelerate learning and leverage federal policy and support.

# **Innovation and Creative Solutions**

We need creative solutions for unique areas such as King Island and Flinders Island. As already mentioned, financing property is more difficult when compared with other parts of the state. The transport of housing supplies is another issue. We encourage the Tasmanian Housing Strategy to look at innovative solutions that will allow mum and dad investors on the islands to build homes, with some safeguards for those who have housing supplies damaged in transit.

We encourage the Tasmanian Housing Strategy to look at direct action options for the West Coast Council area. Various departments of the Tasmanian State Government hold residential land titles on the West Coast of Tasmania. Innovation and collaboration between government and industry is encouraged. This could provide a template for success for other parts of the state

#### **Federal Government Collaboration**

RDA Tasmania recently participated in the Federal Governments Jobs and Skills Summit. Our submission listed *Housing affordability and availability* as the number one issue. We noted that *Tasmania also has the lowest wage rates in the nation (ABS Feb 22) which in a tight job market makes it more difficult to attract staff to the region, and to afford the record high housing and rental, petrol, electricity, and food <i>costs.* In response to our submission we received a letter from Hon Kristy McBain MP noting the following:

In every session, the lack of housing supply was noted as a critical block to attracting and retaining people with the right skills into our regions. The lack of supply, brought about by a combination of factors relating to natural disasters, financial arrangements, and planning shortages, constrains our regions. Stakeholders noted the barriers of return on investment in attracting development for industrial and residential land in regional areas. I will work closely with the Minister for Housing, the Hon Julie Collins MP, to consider how we can address these issues for regional Australians.

TASMANIAN HOUSING STRATEGY Submission to the Discussion Paper We were pleased by the positive response by Minister McBain and encourage the Tasmanian Housing Strategy to work with the Federal Government to amplify existing efforts.

## **Strategic Regional Plan for Tasmania**

RDA Tasmania is developing a Strategic Regional Plan to identify regional priorities for Tasmania, and reflect the vision of the Australian Government, the Tasmanian Government and Local Government in Tasmania.

The Strategic Regional Plan provides:

- A narrative to frame the conversation
- Key Principles for Strategic Regional Planning
- Strategic Regional Priorities

This Strategic Regional Plan also identifies roadblocks to consider, which may hinder our success. Housing is the most often mentioned issue by local councils, their communities, and people. A lack of housing for people directly impacts their ability to participate in their communities and to find and retain employment. It is not just a social issue, but an inhibitor of economic development; it diminishes our ability to attract people and their families to fill key roles.

We have listed housing as a priority in the following way:

## Delivering housing security that is responsive to people's needs

We are pleased to see the parallels with the Tasmanian Housing Strategy Discussion Paper and RDA Tasmania's Strategic Regional Plan, due for release in 2023. We are formulating actions to support and implement priorities identified in the Strategic Regional Plan that encompass all tiers of government and we welcome the development of the Tasmanian Housing Strategy.

RDA Tasmania values our working relationship with Tasmanian Government and looks forward to the release of the final Tasmanian Housing Strategy.

Kind regards,

Jen Newman Acting CEO RDA Tasmania

TASMANIAN HOUSING STRATEGY Submission to the Discussion Paper