

Submission in response to the Tasmanian
Housing Strategy Discussion Paper



October 2022

About Us

The Youth Network of Tasmania (YNOT) is the peak body for young people aged 12-25 years and the non-government youth sector in Tasmania. YNOT works to ensure policies affecting young people in Tasmania are relevant, equitable and effective and that young people have a voice on issues that matter to them.

Our Vision

A Tasmania where all young people are valued and can achieve anything.

Our Purpose

To drive positive change with young people and the youth sector in Tasmania.

For further information

Youth Network of Tasmania

Level 12/39 Murray Street

Hobart TAS 7000

0427 466 189

ceo@ynot.org.au

Introduction

The Youth Network of Tasmania (YNOT) welcomes the opportunity to respond to the Tasmanian Housing Strategy Discussion Paper.

YNOT is the peak body for young people aged 12-25 years and the non-government youth sector in Tasmania. YNOT works to ensure policies affecting young people in Tasmania are relevant, equitable and effective and that young people have a voice on issues that matter to them. Our purpose is to drive positive change with young people and the youth sector in Tasmania.

Our response to the discussion paper has largely been informed by young Tasmanians and key stakeholders. During YNOT consultations young people have consistently raised housing affordability and availability as a key issue and have shared valuable insights on the impact insecure housing has on their health and wellbeing, their ability to participate in employment, education and training and their ability to feel safe and valued in Tasmania.

“Something that's also very difficult in housing for younger people like myself, is that a house was very hard to get because a lot of these prices people asking for the houses are just not realistic at all. Paying 500 bucks for just a flat is not realistic for most young people” - 21 years old, North-West

The primary focus of our submission is on the need to actively engage young people in identifying housing solutions to improve housing outcomes for young Tasmanians. YNOT believes that the Government needs to strengthen and clearly articulate a commitment to youth engagement and participation in the development, implementation, and evaluation of housing solutions for young people. Our responses focus on improving housing supply that meets the needs of young people, particularly those transitioning out of home and attempting to enter the private rental market in Tasmania.

Towards a Sustainable Housing System

YNOT supports the vision, key focus areas and objectives outlined in the discussion paper, specifically the focus on more affordable housing for Tasmanians on low incomes, matching the supply of housing to the needs of Tasmanians and homes that better meet the needs of generations in the future.

We are pleased to see the paper recognise some of the challenges faced by young Tasmanians including the risk of homelessness for young people transitioning out of home, and housing accessibility and affordability challenges for individuals on low incomes. We also welcome the exploration of innovative housing solutions for younger Tasmanians.

We acknowledge and welcome Government investment in targeted initiatives to support young people experiencing homelessness or at risk of homelessness including Youth Foyers, Youth at Risk Centres and responding to the needs of unaccompanied homelessness children under 16 years of age.

However, young Tasmanians need targeted support to enter the housing market in Tasmania and live independently in our communities, particularly those who cannot afford to enter the private rental market and are not eligible for social housing.

The Tasmanian Housing Strategy needs to include additional objectives under affordable housing and housing supply specifically for young Tasmanians. The housing needs of young people need to

be prioritised to address the unique issues facing young people as they struggle to get a foothold in the private rental market.

The Strategy also needs to align with the Tasmanian Child and Youth Wellbeing Strategy to ensure a whole of government approach in responding to the housing needs of young Tasmanians. The latter, identifies the need for children and young people to have access to suitable, secure stable housing with adequate heating and cooling under the domain having material basics.

Scope of Issue

Housing affordability and availability, coupled with high youth unemployment, transport disadvantage, low incomes and the rising costs of living means that young people are currently locked out of the housing market.

The median rental price in Greater Hobart area currently exceeds youth allowance by \$206.80 per week¹, placing young people at an increased risk of housing insecurity and homelessness. Rental vacancy rates sit close to one percent resulting in very high demand and competitiveness for rentals.

During YNOT state-wide consultations, young people told us they were having to choose between overcrowded accommodation, private and unregulated rental agreements, and living in poverty to afford rent. One young person from the South realised that they are “*technically homeless*” because they had been couch-surfing for several weeks².

Anglicare Tasmania’s Rental Affordability Snapshot 2022 highlights the housing challenges facing young Tasmanians. Key findings identified that there was only one property, a share house, affordable to a young person on youth allowance and only two properties in Tasmania affordable for a person on Job Seeker. A young person receiving income support cannot afford to live in a private rental in Tasmania, unless they spend more than they can afford³.

Young people have told us that they have experienced age-based discrimination when attempting to enter the private rental market, and that a lack of work experience and rental history is problematic. When they can secure housing, young people are living in rented accommodation or in share-houses much longer than previous generations and are more likely than people of other age groups to be living in unaffordable housing, private rental, overcrowded households, and to have recently experienced a forced move⁴.

Young people aged 16-25 years comprise approximately 20 per cent of Tasmania’s social housing register⁵ and yet only a small percentage of applicants (4.4%) are allocated housing. If a young person turns to social housing to assist, they face wait times of more than a year to be potentially offered an affordable place to call home.

A reliance on, or expectation for, parents to continue supporting their child’s housing needs throughout early adulthood is not a realistic or sustainable measure. Many young people are unable or unwilling to return to their family homes due to location, physical and/or mental health issues, family breakdown or domestic violence.

Access to affordable housing is a key determinant of wellbeing across a person's life course. Housing can profoundly influence educational attainment, employment outcomes, physical and mental

health, and social participation. Housing insecurity and homelessness has a lasting impact on the trajectory of a young person's life. We recognise that housing is a complex area with up and downstream issues, including supply, social housing and homelessness and crisis support services. However, further action is required to ensure the needs of young Tasmanians are adequately met.

Engagement of Young People in Housing Solutions

"I think older people just need to listen to us. They had different experiences growing up, so they need to try and understand what it's like for us." - 22 years old, South

The Tasmanian Housing Strategy needs to articulate a commitment to young people's active and meaningful participation in co-designing housing solutions. We believe the ideas of young people, their families, and those that work with young people, should be at the forefront of redesigning the housing system and should be prioritised. Young people will have valuable insights on strategies that may improve housing solutions for them and understanding their unique needs would support the government to identify appropriate and innovative housing solutions.

Young people have told us that they are frustrated by the lack of opportunities available to contribute to policy decisions and initiatives that impact them and want to have their views heard.

Improving Housing Affordability and Availability

"We arrived at this house viewing and we parked ...it was me and two of my friends. And we're all in our early to mid-20s. And the real estate was standing there and she said, Oh, there's no point in doing this. [the landlord] won't rent it to young people, he doesn't want any share houses..." - 25 years old, South

Age Based Discrimination

Focus Area 2– Housing Supply: Standardised private rental application forms

Young people have said that they often struggle to get a foothold in the rental market. While much of this struggle is due to financial factors, young people have also reported that they often feel discriminated against on the basis of age when applying for and living in rental properties.

The 2017 Report: *Unsettled: Life in Australia's Private rental market* that surveyed Australian renters found that the majority of young people (55%) had experienced housing discrimination – with the most common reason being their age (22%). Receiving government payments was also a widespread source of perceived discrimination, reported by 17% of all survey respondents.⁶ Young people continue to report age-based discrimination when attempting to secure a private rental property, which has been further exacerbated by historically low rental vacancy rates and high demand for properties.

Discrimination is often encountered during the rental application process. Many property owners are reticent to rent to young people, particularly those seeking to enter shared housing arrangements, which is one of the few ways that young people on low incomes can afford to rent. This issue is further exacerbated by the widespread variation in rental application forms used by landlords and real estate agents, and the type of information required. Key findings outlined in the

Unsettled report suggest that 60 per cent of renters surveyed believed that they were required to provide an excessive amount of information on the application form⁷.

Requests for a person's work and rental history and references is not uncommon on rental application forms. However, this is problematic for many young people who often have limited work experience and rental history. Young people have reported as many as four references are required for some properties, and personal identification and financial information that they may not always have such as income statements and utility bills.

Young people are immediately at a disadvantage compared to other groups when they are looking to rent for the first time. This type of discrimination also affects people with disabilities more acutely, who can be left out on rental forms, experience longer wait times for accessible properties and have unique circumstances that put them at a disadvantage.⁸ The lack of standardisation in rental application forms and leases, means that many tenants believe that they are forced to comply with clauses in rental agreements that are unlawful or unreasonable under the Rental Tenancy Act such as excessive maintenance standards, and extensive credit history checks^{9 10}. These sorts of requests are difficult for young tenants to dispute, due to the difficulty and competitiveness of securing a tenancy, power imbalances, the potential costs of legal action, and limited mechanisms to make formal complaints.

Some young people have also reported a lack of feedback from landlord and real estate agents when their applications have been declined, even if they have progressed through some stages of the application process. Discrimination has also been reported by young people accessing social support services for bond support such as Colony 47 supported bond payment, or federal government income supports such as youth allowance or job seeker, rather than their ability to pay rent or their rental history.

We recognise that landlords require specific information to choose a suitable tenant for their property, however we believe that a standardised rental application form may help to alleviate some of the issues experienced by young people attempting to enter the rental market.

Security of Tenure

Focus Area 1 – Affordable Housing: Rent increase controls

Young people who have secured a private rental property are vulnerable to excessive increases in rent as they are likely to be already paying more than they can afford. We believe consideration needs to be given to the introduction of rent increase controls in the Tasmanian Housing Strategy to improve security of tenure and long-term rental affordability for young Tasmanians.

Currently, there are limited options to protect against excessive rent increases in the private rental market in Tasmania. With median rents across Tasmania having increased by 37 per cent over the last five years, a landlord can justify a rent increase of this amount for no other reason than that it is market rent.¹¹ Existing tenants can end up paying much more rent without any change to their property and no improvement in their standard of living.

Young people are already paying more than they can afford and with increased cost of living pressures, young people who are subject to large rental increases are put at increased risk of homeless or further struggles to afford the basics. Rental controls in this area could make this equitable for people on lower incomes and work towards securing long term stability in a house.

Availability of Private Rentals

Focus Area 2– Housing Supply: Regulate and monitor the growth of Short-Term Rentals

YNOT submitted our view on this issue to the Short-Term Rentals (STRs) – Proposed Amendments to the Hobart Interim Planning Scheme. Our position, that limiting further increases to the number of entire homes used for short stay accommodation, was based on the views of young people and YNOT members.

We believe that amendments to short stay rental regulations requires further consideration in the Strategy under *Focus Area 2 – Housing Supply*. In Tasmania’s current rental crisis, it is vital to prioritise the use of properties for long term rental homes for local people. This is particularly important in central urban areas in Tasmania such as Hobart and Launceston where rents continue to rise at a significant rate.

We understand that some of this regulation is the responsibility of local council planning authorities however, YNOT supports Shelter Tasmania’s position that the State Government should more closely monitor short stay rentals and their interactions with the housing and rental markets and regulate them.¹²

Finding a better balance between STRs and associated tourism and maintaining affordability and rental availability in Tasmania will help to balance the use of residential properties for visitors and for local people.

Summary

YNOT endorses the Discussion Paper on:

- The vision, key focus areas and objectives outlined in the discussion paper.
- The recognition of some of the challenges that Tasmanian young people face in the area of housing.
- The exploration of innovative housing solutions for young Tasmanians.

YNOT is committed to ensuring that the voices of young people on issues that affect them are heard, and in response to what young people are telling us, we recommend that:

- The ideas of young people, their families, and those that work with young people are at the forefront of designing housing solutions for young Tasmanians.
- Additional objectives under affordable housing and housing supply specifically for young Tasmanians are included in the Tasmanian Housing Strategy.
- There is greater effort made across government to align plans and strategies affecting young people.
- Age based discrimination in the private rental market is addressed to support young people to enter the private rental market.
- Young people are allocated a greater percentage of social housing.
- Regulation and monitoring of the short-term rental market in Tasmania is addressed.
- Rental increase controls are considered to improve security of tenure and long-term rental affordability for young Tasmanians on low incomes.
- Greater allocation of social housing offered to young people.

References:

-
- ¹ Tenants' Union of Tasmania 2022, *Tasmania Rents March Quarter 2022*.
- ² Youth Network of Tasmania and Mental Health Council of Tasmania, 2021, *Tasmanian Child and Youth Wellbeing Strategy Consultation Report 2021*.
- ³ S. Claxton 2022, Anglicare Tasmania, *Rental Affordability Snapshot Tasmania 2022*.
- ⁴ VicHealth 2011 'Housing and health research summary', https://www.vichealth.vic.gov.au/-/media/ResourceCentre/PublicationsandResources/Health-Inequalities/Housing_and-Health_Research-Summary_web.pdf?la=en&hash=42ABE51F99703B698663E4368306FA4B34652DA8
- ⁵ Department of Communities 2022, Social Housing data request for social housing of young people 16-25 years. 13/10/2022.
- ⁶ Yfoundations 2022, *Barriers to young people position paper*. <https://yfoundations.org.au/wp-content/uploads/2022/01/Barriers-to-young-people-renting-position-paper-FINAL-2022.pdf> .
- ⁷ CHOICE, National Shelter and the National Association of Tenant Organisations 2017, *Unsettled: Life in Australia's private rental market*. <https://www.choice.com.au/money/property/renting/articles/choice-rental-market-report>
- ⁸ Yfoundations 2022 'Barriers to young people renting'. <https://yfoundations.org.au/wp-content/uploads/2022/01/Barriers-to-young-people-renting-position-paper-FINAL-2022.pdf>
- ⁹ J Thomson 2022, *How much do landlords really need to know about their tenants?* <https://www.afr.com/wealth/personal-finance/how-much-do-landlords-really-need-to-know-about-their-tenants-20220406-p5ab9c>
- ¹⁰ Tenants Union of Tasmania 2021, *Commitment to Tenancy Reform at State Election*. <http://tutas.org.au/state-election-asks-2021/>
- ¹¹ *Ibid*
- ¹² Shelter Tasmania 2022, 'Monitoring the Impact of short-term rentals on Tasmanian Housing Markets'. https://sheltertass.org.au/wp-content/uploads/2022/01/STR-Baseline-Report-June-2022_FINAL-combined-files.pdf?fbclid=IwAR386MznlGCz3-vhtzY-wNQS4bJS24FbQPIex7dGN6wW79dMAI9oy4gILxY