

Housing Affordability

Tasmania is in the midst of a housing affordability crisis. For low income earners, the available housing stock is decreasing, to such a point where there are no affordable rental options available for some cohorts. No one solution will solve the problem, but ultimately, what we need is more housing in varying types.

What is rental stress?

When a household has to spend more than 30 per cent of its net income on rent, this is commonly known as being in rental stress. If a household spends more than 50 per cent of its net income on rent, this is known as extreme rental stress.

What is appropriate housing?

Appropriate housing looks at whether a particular household is appropriate for a household composition. This can include whether it has enough bedrooms or the conditions of the rental property.

Is the problem getting worse?

Anglicare's [Rental Affordability Snapshot](#) found that in 2017, there were 14 per cent less rental properties suitable for low income families when compared to the previous year and 49 per cent less than in 2013. It is predicted that this unavailability of low income housing will only continue to increase in the coming years if no action is taken. If a household does not have a stable roof over its head, this can go on to impact future health, education and employment opportunities.

Why is the number of rental properties decreasing?

There are many reasons why Tasmania's private rental market remains a challenge for single adults, families and young people. The three main reasons why this is occurring is due to a shrinking number of advertised private rental properties, increased competition, and increased rental prices.

What can be done to increase the Tasmanian affordable housing stock?

There is no one solution to solving Tasmania's housing affordability crisis, but ultimately, there needs to be more housing. Ways to address the housing shortage in Tasmania include creating incentives that stimulate the development of more affordable rent and purchases, and incentives that encourage landlords to embrace low income households and tenants. Incentives could also be provided to enable more households currently in rental accommodation to transfer to home ownership, and a review of government support for low income households to ensure government payments meet the costs of living.