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Housing Tasmania Bill 2022
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To whom it may concern,

Thank you for the opportunity to make a submission to the consultation draft of the *Housing Tasmania Bill 2022*, and for the departmental briefing on the Bill.

The Greens in-principle support the proposal to transition Housing Tasmania to a statutory authority.

There are a number of improvements to the current *Homes Act 1935* in the draft Bill. There are, however, some matters of concern. These matters include existing provisions that are being carried over from the 1935 Act, as well as new provisions being inserted.

Our concerns largely relate to the extent to which social housing will be the priority of the new Authority – as well as elements which could potentially facilitate corporate welfare at the expense of social services.

We also reiterate the matters we raised in the briefing, including the desirability of including a statement of principles that housing is a fundamental human right. This is the core principle we should underpin and drive the work of the new Housing Tasmania Authority.

We trust government will take on board our concern to see the new Authority drive sustainable housing growth, with an emphasis on creating liveable communities and ensuring new homes are constructed with contemporary design, accessibility and energy efficiency standards.

Objectives and Housing Principles

The proposed objectives of the Act are more extensive than that of the *Homes Act 1935*. We restate our concern about the apparent reduced weighting of social housing objectives.

Section 2 of The *Homes Act 1935* has a clear focus on the provision of housing assistance, or housing support services, to eligible persons. Section 6B has a broader purview – some of which is replicated in the proposed Objectives and Housing Principles of the draft Bill.

We are of the view that the proposed Objectives and Housing Principles in the draft Bill deprioritise the provision of social and affordable housing and focus more on broader housing issues and less on marginalised Tasmanians in need of housing assistance. It is jarring to see in the draft Bill that references to the industry development and the economy have more weighting than delivering social housing supply. This is a significant departure from the objectives and principles underpinning the *Homes Act*.

While there a plurality of issues in the housing space, some of which Housing Tasmania should be involved in, we believe it is critical for the new Act to emphasise that the priority of the Authority is the provision of housing assistance, or housing support services, to eligible persons.

This is particularly pertinent given the broad scope of the Authority to enter into arrangements that do not relate, in part or in full, to housing assistance or housing support services.

Any such action, in our view, should not be taken if it is to the detriment of delivering housing assistance or housing support services. Some explicit acknowledgement of these as priorities for the Authority should aid the interpretation and application of these provisions.

Some other drafting choices also raise concerns about an apparent move away from the core business of Housing Tasmania. For example, the current section 6B of the *Homes Act 1935* reads –

“to enable persons to reside in residential accommodation that is safe, secure, appropriate and affordable”

This has been adapted to the new section 3(a), which reads –

“to increase the opportunities for all Tasmanians to live in safe, secure, appropriate and affordable housing;”

If we were to take the example of a person who is currently able to access safe, secure, appropriate and affordable housing, the existing provisions would not require anything. The person already has such access, ergo nothing additional is required to “enable it”.

The proposed new provisions, however, require an *increase* in the opportunities for *all Tasmanians*. This means an increase even for those with the most opportunity, those who may least require assistance.

We also have some concerns about the unambitious wording of 10(b)(i), which we acknowledge is present in the current Act. This paragraph specifies that it is desirable for services to be provided “*to the persons most in need of such assistance and services*”.

It is, in fact, desirable for services to be provided to all persons in need of such assistance and services. Triaging to those *most* in need is the bare minimum of expectations, particularly when qualified with the word ‘desirable’.

Perhaps the most egregious inclusions are in the proposed section 10(2)(e) and (g).

Paragraph (e) reads “*that it is desirable to promote and secure the development and sustainability of Tasmania’s housing sector*”. This paragraph is somewhat open to interpretation, but it currently reads like Housing Tasmania is expected to be involved in aiding the economic interests of industry. This is a very significant departure from what has been Housing Tasmania’s core business for almost a century.

The phrasing in 10(2)(g) includes provision of housing in order to meet the economic requirements of Tasmania. This, coupled with the discretion of the Authority to grant money or land to be used for projects that involve residential accommodation at commercial rates, leaves the door open for corporate welfare.

The inclusion of *the economic requirements of Tasmania* are particularly concerning when read in combination with the proposed section 49, which allows Housing Tasmania to be involved in the provision of Housing for the workers of an ‘industrial undertaking’.

On a more positive note, the inclusion of *community support services* is a welcome modernisation to the Act.

Recommendations:

1. The Objectives and Housing Principles should be amended to clarify that the priority of the Authority is the provision of housing assistance, or housing support services, to eligible persons.
2. The proposed section 3(a) should be amended to the same language, or to more closely resemble the language, in section 6B(a) of the current *Homes Act 1935*.

3. The proposed section 10(2)(b)(i) should be amended to read “to all persons in need of such assistance and services”, and a new subparagraph inserted clarifying that prioritisation of those most in need should occur.
4. The provisions in section 10(2) should be amended to remove any phrasing that could be interpreted to suggest that Housing Tasmania should act in a way to further the economic interests of industry. In particular, paragraphs (e) and (g).

Partnerships and Grants

Entering into a partnerships, trust or joint ventures may in some circumstances be advantageous to increase housing supply. We also acknowledge that some degree of flexibility is required in the language of the legislation.

However, we have some concerns that under the current phrasing in section 46(2)(a), projects could be entered into solely for the provision of housing at a commercial rate, targeting those on a moderate income.

We have similar concerns regarding the phrasing in section 76 regarding the administration of grants.

We believe the recommendations in our submission regarding the Objectives and Housing Principles would provide a degree of security to these provisions.

We are also of the view that an oversight mechanism for the arrangements in section 46 and 76 is essential for transparency and probity.

It appears to us that sections 15 and 16 of the *Public Works Committee Act 1914* may apply to section 46, but likely do not apply to section 76. In our view the application of sections 15 and 16 of the *Public Works Committee Act 1914* would provide significant benefit.

Recommendations:

5. Proposed sections 46 and 76 of the bill should be amended to explicitly provide that sections 15 and 16 of the *Public Works Committee Act 1914*, apply to sections 46 and 76 of the draft Bill, as if the partnership or grants provided for in those sections were a *public work* for the purposes of the *Public Works Committee Act 1914*. If these provisions of the *Public Works Committee Act 1914* apply to the Bill as currently drafted, then inclusion of these details in the supporting material is recommended.

Provision of Residential Premises to Public Authorities and Industrial Undertakings

Section 49 allows for the Housing Tasmania Authority to provide residential premises to public authorities or 'industrial undertakings'. While we acknowledge these provisions are in the current Act, it is surprising that they have been included in the draft Bill.

This is completely out of step with current community expectations.

We currently have over 4,000 applicants on the housing register, a number that has been continually growing for some years. It is not appropriate for Housing Tasmania resources, and scarce public funding that should be directed to social housing supply, to be allocated towards housing projects for public authority workers.

It is even more inappropriate for any Housing Tasmania Authority resources to be allocated to the housing needs of private 'industrial undertakings.' This will do nothing to help Tasmanians suffering housing stress or homelessness.

Recommendations:

6. Proposed section 49 be omitted from the draft Bill.

Treasurer's Guarantees

The proposed Part 10 of the Bill allows the Treasurer to guarantee any loan for housing up to the aggregate value of \$3,000,000. Again, it is acknowledged these provisions reflect the provisions of the current Act.

The purpose of these provisions is unclear. The broad power it confers raises some concerns.

If it is intended as a power to allow for Government programs to assist first home buyers secure a loan, this may be appropriate. However, the \$3,000,000 cap seems high for this purpose.

Proposed section 78, for example, makes its purpose clear and has some clear restraints in respect of advances. Part 10 would benefit from similar clarity and constraints.

Recommendations:

7. The proposed Part 10 should be amended to make the intended application clear, and to clarify and narrow the scope of the provisions accordingly.

8. The proposed Section 73 should be amended to require the Treasurer to be satisfied that executing a guarantee would further the objectives of the Act, before executing a guarantee.

In conclusion, we submit that the final Bill should establish a clear expectation that delivering social housing is the priority of the new Authority, rule out commercial support from the scope of the proposed Act, and contain more clarity of scope around some of the more discretionary powers contained in the legislation.

Yours sincerely,



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