

Hon Dr Bruce Flegg MP Member for Moggili

> Minister for Housing and Public Works

Queensland Government

Tabled by Amastacia Palaszczut MP

at THEC estimates Hearing

on 180012

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Mr C W Pitt MP

Manager of Opposition Business, Shadow Minister for Treasury and Trade, Energy and Water Supply, Main Roads, Aboriginal and Torres Strait Islander Partnerships, Sport and Recreation Member for Mulgrave PO Box 314

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Dear Mr Pitt

As you would be aware from a number of public statements ! have made, Labor left Queensland's social housing funding in a parlous state.

Traditionally, rent collections funded the maintenance and administration of public housing with the excess being used to fund new homes.

Through what can only be defined as incompetence, Labor's public housing legacy has delivered a portfolio bereft of funding, which combined with a tenancy mix dominated by Centrelink dependents means that for the first time in its history, public housing will operate at a loss, in the 2012 financial year.

The projected deficit for 2012–13, based on the previous Government's figures, soars to a completely unsustainable situation.

So, for the first time, there is not \$1 left to put towards the purchase of a public housing unit!

At the same time, demand for public housing is increasing with 31,000 families having submitted an application, 10,000 of which are technically homeless.

The priority of this Government is to restore sustainability to public housing and greatly improve the efficiency of its management to ensure that we house as many needy and homeless Queensland families as is absolutely possible.

The Tenant Participation program was established in 1991, with 10 regional tenant groups and 47 local tenant groups currently in operation. While the program delivered some excellent outcomes over the years – for both tenants and their communities – it is difficult to justify ongoing funding of \$350,000, plus front-line staff resources to this program while there are significant levels of unmet housing need.

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Telephone +61 7 3237 1632 FacsImile +61 7 3012 9017 Email housingendpublicworks@ministerial.qld.gov.au ABN 65 959 415 158 For this reason, I have decided not to fund the Tenant Participation Program beyond this financial year, which also means the 2012 Garden Awards will not be held. It is anticipated that this decision will be met with resistance from individual tenants and groups.

I hope that the relationships formed and activities undertaken by tenant groups and individual tenants can continue through the goodwill and continuing efforts of those involved. However, it will need to occur on a voluntary basis without funding from the Department of Housing and Public Works.

I have included a fact sheet providing some key information about the program and the rationale for ceasing the funding for you to use when responding to any concerns from your constituents.

I trust this information is of assistance to you. If I can help with other matters within my portfolio, please do not hesitate to contact my office on telephone 07 3237 1832.

Yours sincerely

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Dr Bruce Flegg MP Minister for Housing and Public Works

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