Chapter 17

Indigenous Australians

17.1   Compared to other Australians, Indigenous people have relatively low incomes, higher rates of unemployment and lower levels of financial literacy and, as a consequence, the housing options available to them are more limited than for many other Australians.[1] In this chapter, the committee considers the housing choices that Indigenous Australians who cannot afford home ownership must make.

Indigenous households

17.2   The 2015 Prime Minister's report, *Closing the Gap*, found that 'the disadvantage suffered by Indigenous Australians was unacceptable'.[2] As an example of the areas of demonstrated disadvantage, the report noted:

- the gap in life expectancy between Indigenous and non-Indigenous Australians was 10.6 years for males and 9.5 years for females;[3]

- Indigenous students were estimated to be behind non-Indigenous students by the equivalent of about two-and-half-years of schooling in the tested area of literacy—'without adequate literacy and numeracy skills, Aboriginal and Torres Strait Islander children and young people will find it harder to take advantage of opportunities that present themselves later in life';[4]

- the proportion of Aboriginal and Torres Strait Islander peoples aged 15–64 years who were employed fell from 53.8 per cent in 2008 to 47.5 per cent in 2012–13;[5] and

1   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. 1, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

2   *Closing the Gap*, Prime Minister's Report 2015, Commonwealth of Australia, 2015, p. 20, http://www.dpmc.gov.au/sites/default/files/publications/Closing_the_Gap_2015_Report_0.pdf (accessed 2 Mach 2015).

3   *Closing the Gap*, Prime Minister's Report 2015, Commonwealth of Australia, 2015, p. 7, http://www.dpmc.gov.au/sites/default/files/publications/Closing_the_Gap_2015_Report_0.pdf (accessed 2 Mach 2015).

4   *Closing the Gap*, Prime Minister's Report 2015, Commonwealth of Australia, 2015, p. 22, http://www.dpmc.gov.au/sites/default/files/publications/Closing_the_Gap_2015_Report_0.pdf (accessed 2 Mach 2015).

5   *Closing the Gap*, Prime Minister's Report 2015, Commonwealth of Australia, 2015, p. 18, http://www.dpmc.gov.au/sites/default/files/publications/Closing_the_Gap_2015_Report_0.pdf (accessed 2 Mach 2015).

- Aboriginal and Torres Strait Islander peoples were more likely to experience violence, child abuse and neglect—evidence showed that key drivers of violence were 'alcohol and drugs, inadequate education and unemployment'.[6]

17.3   The 2009 Henry Review noted that, in the context of Australia's housing supply difficulties, social housing provided a valuable stock of houses and, in some areas such as remote Indigenous communities, was the only viable source of housing.[7] Indeed, statistics produced by the AIHW show that in 2013, Indigenous households were six times as likely as other Australian households to live in social housing (rates of 31 per cent and 5 per cent, respectively).[8] At 30 June 2013, almost 63,000 Indigenous households were assisted through the provision of social housing.[9] Of indigenous Australians in social housing:

- public housing was the largest provider of social housing to Indigenous households, with about 30,800 Indigenous households living in such housing at 30 June 2013—a rate of 14 per cent of Indigenous households; and

- Indigenous community housing was the second largest provider—8 per cent of Indigenous households lived in such housing at 30 June 2013.[10]

17.4   In June 2013, 9,820 households lived in state owned and managed Indigenous housing (SOMIH), which is administered by state and territory governments. SOMIH is targeted specifically at low- to moderate-income households with at least one Indigenous member and includes dwellings managed by government Indigenous housing agencies for allocation to Indigenous tenants. Indigenous households in SOMIH are not considered special needs households, as SOMIH is an Indigenous-targeted program. For SOMIH, special needs households are those that have either a

6   *Closing the Gap*, Prime Minister's Report 2015, Commonwealth of Australia, 2015, p. 27, http://www.dpmc.gov.au/sites/default/files/publications/Closing_the_Gap_2015_Report_0.pdf (accessed 2 Mach 2015).

7   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2 p. 604, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

8   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. vi, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

9   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 36, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

10   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. vi, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

household member with disability or a principal tenant aged 24 or under, or 50 or over.[11] In 2012–13, states and territories spent $113.3 million on SOMIH.[12]

Trends of indigenous Australians in social housing

17.5   As noted in previous chapters, the provision of housing assistance has shifted over time to be targeted to highly vulnerable groups, which, according to the AIHW, include households where there was an Indigenous member.[13]

17.6   The number of Indigenous households living in public housing increased by 23 per cent between 2009 and 2013 (from 25,115 to 30,774 households respectively). This rise was in contrast to a fall of 4 per cent in the number of other households living in public housing over the same period. The AIHW noted that 'some of the observed increase for Indigenous households may be due to an improvement in Indigenous identification in the public housing data collection (with missing data about Indigenous status dropping from 17 per cent in 2009 to 14 per cent in 2013)'.[14]

17.7   This increase in tenancy was also evident in community housing where the number of Indigenous households living in housing provided by the mainstream community sector rose between 2009 and 2013, from 2,680 to 4,640 households— a 73 per cent increase. For other households, the rise was also 73 per cent.[15] The AIHW indicated that:

> The growth over time in the contribution of the mainstream community housing sector reflects changes in government policy that have encouraged this sector to play a larger role in the provision of social housing.[16]

11   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 52, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

12   Reform of Federation White Paper, *Roles and Responsibilities in Housing and Homelessness*, Issues Paper, 2 December 2014, p. 15, https://federation.dpmc.gov.au/sites/default/files/issues-paper/Housing_and_Homelessness_Issues_Paper.pdf (accessed 6 March 2015).

13   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 51, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

14   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. 10, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

15   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. 10, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

16   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. 10, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

17.8   In contrast, the number of Indigenous households living in SOMIH fell by 15 per cent between 2009 and 2013, from 11,582 to 9,820 households. The AIHW stated that:

> At least part of the reason for this change was a transfer of dwellings between programs. In the past, all Australian states (but not territories) had a SOMIH program but Victoria and Western Australia have not had such a program since around 2010 when SOMIH dwellings were transferred to other social housing programs.[17]

17.9   Allowing for incomplete data on Indigenous housing, there can be no doubt that the number of Indigenous households relying on social housing is very high.

Indigenous housing in remote regions

17.10   Aboriginal people living in remote regions of Australia experience additional expenses not encountered in urban areas. The Murdi Paaki Regional Assembly drew attention not only to the limited housing options but the high prices of groceries and proximity to shops as adding to living costs in remote areas. It stated:

> If the nearest affordable grocery shop is 200–300 kms away the cost of fuel to get there and back (also higher than in urban areas) means the money left over is much more limited.[18]

17.11   The Murdi Paaki Regional Assembly also noted the escalating cost of energy in remote communities, which was increasing to a level that was 'almost unaffordable for people'. It stated:

> Solar panels or alternative energy needs to be considered as a matter of urgency as it is also an employment generating possibility.[19]

17.12   The Henry Review noted that housing assistance should reflect the difficulty Indigenous Australians may face in accessing mainstream housing markets. In addition, the particular housing needs of Indigenous Australians in remote areas should be addressed through specific measures, such as the provision of capital for house building.[20] According to the review, there was a particular need for the provision of capital funding in some circumstances, such as Indigenous Australians in remote areas. The review formed the view that to ensure that housing assistance was

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17   Australian Institute of Health and Welfare, *Housing assistance for Indigenous Australians,* 2014, p. 10, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129548051 (5 January 2015).

18   *Submission 127*, p. [1].

19   *Submission 127*, p. [1]

20   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2 p. 596, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

effective, the roles and responsibilities of different levels of government in its provision should be made clear.[21]

17.13   The review recognised that public housing was a significant mechanism for providing housing to disadvantaged groups. In other words, public housing had become the primary source of housing for people who could not access appropriate or adequate housing in the private market such as people with a mental illness and Indigenous Australians who too often faced discrimination in the housing market.[22] According to the review, rent assistance reforms and the high-need housing payment would not replace the need for governments to provide capital funding for social housing. In the review's assessment, the need for capital funding was particularly strong for Indigenous housing in remote areas, where the Australian Government had already assumed responsibility for the provision of such funding. The review argued that as 'the social housing sector will need to continue to provide a significant part of the stock of housing in Australia, capital funding can also enable a more immediate increase in supply when the housing market is constrained'.[23]

National Partnership Agreement on Remote Indigenous Housing

17.14   One of the principal aims of the National Affordable Housing Agreement (NAHA) is to ensure that Indigenous Australians have the same housing opportunities as all Australians. The National Partnership Agreement on Remote Indigenous Housing (NPARIH) is a subsidiary agreement to NAHA designed to help address significant overcrowding, homelessness, poor housing and severe housing shortages for Indigenous communities.[24]

17.15   Commencing in 2008, the $5.5 billion investment over 10 years included property and tenancy management arrangements to bring remote housing in line with mainstream public housing standards, including reformed rents and tenancy support programs. Secure land tenure was a pre-condition of investment to secure government

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21   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2 p. 597, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

22   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2 p. 604, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

23   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2, p. 616, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

24   *Submission 198*, p. 33.

and commercial investment, and to promote economic development opportunities and home ownership possibilities.[25]

17.16   According to the Department of Social Services, since 2008, the program had delivered affordable accommodation in over 300 remote Indigenous communities in the Northern Territory, Western Australia, Queensland, South Australia, New South Wales, Tasmania and Victoria.[26] As at 31 January 2014, 2,316 new houses had been delivered against the 2018 target of 4,200, and the refurbishment target of 4,876 by 2014 was exceeded early with 6,339 refurbishments and rebuilds delivered.[27]

17.17   The department also noted the Employment Related Accommodation (ERA) programme, which was designed to break the cycle of welfare dependency that often occurred in remote Indigenous communities. The program was geared to do so by providing affordable accommodation in regional and urban areas to support people from remote communities to access training, education, and employment. As at 31 January 2014, ERA has delivered a total of 112 facilities across Australia.[28]

17.18   Notwithstanding the efforts to improve the standard of housing for Indigenous Australians, significant problems remain. Ms Findlater Smith, National Council of Women of Australia, indicated that there was a shortage of appropriate and affordable housing for Indigenous Australians. She suggested that one only had 'to look at the money supposedly spent in the Northern Territory on Aboriginal housing, which we know has fallen far short of any target'. She maintained that very few houses had been built despite great aspirations about fixing the problem of 10 years ago. She argued that: 'They were going to build 750 houses in the Northern Territory. I doubt they have built more than 75. Where has the money gone?'[29]

17.19   It should be noted that while much work remains to be done to improve access to affordable and appropriate housing for Indigenous Australians, some progress has been made. For example, in May 2013, the then Minister for Families, Community Services and Indigenous Affairs drew attention to the fact that the Australian Government had funded the rebuilding or refurbishment of more than 5,300 homes in remote Indigenous communities, nearly two years ahead of schedule. Furthermore, that the government was on track to meet its target of delivering 4,200 new homes by 2018 with more than 1,600 houses already constructed.[30] Indeed, as noted above, at

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25   *Submission 198*, p. 33.

26   S*ubmission 198*, p. 33.

27   *Submission 198*, p. 32.

28   S*ubmission 198*, p. 33.

29   *Proof Committee Hansard*, 30 July 2014, p. 57.

30   Statement by the Honourable Jenny Macklin MP, Minister for Families, Community Services and Indigenous Affairs, 'Continued Investment to Close the Gap', Indigenous Budget Statement 2013–14, 14 May 2013, p. 2, https://www.dss.gov.au/sites/default/files/documents/05_2013/indigenous_budget_statement_2013-14_0.pdf (accessed 20 April 2015).

the end of January 2014, 2,316 new houses had been built and the refurbishment target exceeded.

17.20   Even so, the issues paper on housing and homelessness produced as part of the Federation White Paper process found:

> Despite significant government investment over the past 40 years in both mainstream and Indigenous-specific housing and homelessness programmes, many Indigenous Australians continue to experience difficulty securing appropriate and affordable housing.[31]

17.21   As noted earlier, the high proportion of Indigenous Australians living in social housing highlights the importance of governments at all levels ensuring that firstly their investment in housing for Indigenous people is adequate and secondly that it is effective in increasing the supply of housing appropriate for Indigenous households.

Overcrowding

17.22   The department informed the committee that despite the overall investment under the NPARIH, overcrowding remained a significant issue in many Indigenous communities throughout Australia. Data from the 2011 Census showed some reduction in the proportion of Indigenous households experiencing both overcrowding and severe overcrowding (a component of homelessness) in remote Australia. Jurisdictions also reported a reduction in severe overcrowding in communities where there had been capital works investment under the NPARIH.[32] The Census indicated that the Northern Territory had the highest incidence of overcrowding (37.5 per cent in 2011), with these rates as high as 60.4 per cent in very remote parts of the Northern Territory.[33]

17.23   Between 2011–12 and 2012–13, the proportion of Indigenous people living in overcrowded households declined in remote areas in public rental housing (from 14 per cent to 13 per cent) and very remote areas (16 per cent to 13 per cent) but overcrowding increased in major cities (from 10 per cent to 11 per cent) and inner regional areas (from 8 per cent to 9 per cent). Over the same period, the proportion of Indigenous people living in overcrowded households increased in all areas in SOMIH.[34]

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31   Reform of Federation White Paper, *Roles and Responsibilities in Housing and Homelessness*, Issues Paper, 2 December 2014, p. 26, https://federation.dpmc.gov.au/sites/default/files/issues-paper/Housing_and_Homelessness_Issues_Paper.pdf (accessed 6 March 2015).

32   *Submission* 198, pp. 31–32.

33   *Submission* 198, pp. 32–33.

34   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 45, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

17.24   Clearly, the persistence and obstinate problem of overcrowding requires a concerted effort by all levels of government to reduce the high rates. Statistics produced by AIHW indicate that Indigenous households were more likely to experience overcrowding, with 11 per cent of SOMIH households classified as overcrowded, as were 11 per cent of Indigenous households in public rental housing, and 4 per cent of Indigenous households in mainstream community housing.[35] Among those living in social housing, Indigenous households were twice as likely to be overcrowded compared with all households (11 per cent and 5 per cent respectively).[36] The Institute highlighted the extent of overcrowding in remote and very remote areas:

> In 2012–13, overcrowded households in public rental housing were more likely to be in Remote and Very remote areas. Among public rental housing tenants, about 1 in 8 Indigenous households (both 13%) living in such housing in Remote and Very remote areas were living in overcrowded households, as were 11% in both Major cities and Outer regional areas and 9% in Inner regional areas. In comparison, SOMIH households in more remote areas were more likely to be overcrowded than those in regional areas, with the proportion ranging from 9% in Major cities to 17% in Very remote areas.[37]

17.25   The Productivity Commission's 2015 report on government services similarly observed that overcrowding remained a significant issue for many Aboriginal and Torres Strait Islander people.[38] Likewise, the issues paper on housing and homelessness drew attention to overcrowding as 'the largest contributor to high rates of homelessness among indigenous Australians'. It noted that Indigenous people living in severely overcrowded accommodation in very remote areas of the Northern Territory represent 11.2 per cent of all homeless Australians.[39]

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35   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 44, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

36   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 75, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

37   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 45, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

38   Productivity Commission, *Report on Government Services, 2015*, Produced by Productivity Commission for the Steering Committee for the Review of Government Service Provision, p. G.13, http://www.pc.gov.au/research/recurring/report-on-government-services/2015/housing-and-homelessness/download-the-volume/rogs-2015-volumeg-housing-and-homelessness.pdf (accessed 2 February 2015).

39   Reform of Federation White Paper, *Roles and Responsibilities in Housing and Homelessness*, Issues Paper, 2 December 2014, p. 19, https://federation.dpmc.gov.au/sites/default/files/issues-paper/Housing_and_Homelessness_Issues_Paper.pdf (accessed 6 March 2015).

Culturally appropriate housing

17.26   In its submission, Shelter SA wrote about the significance of addressing the cultural needs of Aboriginal people. It stated further that, when increasing the supply of housing, matters such as habitability, affordability and security needed to be recognised as the 'basis upon which Aboriginal families can achieve safety, teach respect to their children, have control over their environment and share language and culture'.[40] Shelter SA listed a number of other matters that need to be considered, including culturally appropriate housing designed and built to accommodate extended families, with quality materials and durable living spaces.[41]

Standard of dwellings

17.27   Indigenous households across all social housing programs were less likely than non-Indigenous households to rate their dwelling as being of an acceptable standard—62 per cent of Indigenous respondents rated their dwelling as of acceptable standard compared to 78 per cent of non-Indigenous respondents.[42]

17.28   Figures reproduced by the Productivity Commission show that in 2014, the National Social Housing Survey (NSHS) found that nationally:

- for public housing, 65.9 per cent of Aboriginal and Torres Strait Islander households were living in dwellings of an acceptable standard;

- for SOMIH, 70.1 per cent of Aboriginal and Torres Strait Islander households were living in dwellings of an acceptable standard; and

- for community housing, 83.0 per cent of Aboriginal and Torres Strait Islander households were living in dwellings of an acceptable standard.[43]

17.29   The Murdi Paaki Regional Assembly informed the committee that the standard of work associated with repairs and maintenance carried out in the Murdi Paaki region was sub-standard with work 'already crumbling or failing'.[44] In its view, improved standards and an increased numbers of dwellings would decrease long-term maintenance costs. It also noted houses being built close together without taking

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40   *Submission 117*, p. [2].

41   *Submission 117*, p. [2].

42   Australian Institute of Health and Welfare, *Housing assistance in Australia 2014,* Canberra, 2014, p. 75, http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129549033 (accessed 18 January 2015).

43   Productivity Commission, *Report on Government Services , 2015*, Produced by Productivity Commission for the Steering Committee for the Review of Government Service Provision, p. G.15, http://www.pc.gov.au/research/recurring/report-on-government-services/2015/housing-and-homelessness/download-the-volume/rogs-2015-volumeg-housing-and-homelessness.pdf (accessed 2 February 2015).

44   *Submission 127*, p. [3].

account of the need for privacy, which appeared to be considered acceptable for remote communities but could create tensions within the community.[45]

17.30   Also, according to the Murdi Paaki Regional Assembly, changes to housing plans occur every political cycle, which means that with this stop-start pattern there was no opportunity to make the most of any gains. It highlighted the need for consistency and continuity in housing policy and its implementation for Indigenous Australians and urged governments to develop a bi-partisan national approach that would provide certainty and stability.[46]

17.31   This call for certainty and continuity in housing policy was not confined to Indigenous housing but applied overall to Australia's affordable housing and homelessness policies and their implementation.

Conclusion

17.32   The committee has drawn attention to the central role that safe and secure housing has in improving the health, education and employment opportunities of its occupants and of fostering an environment promoting the household's overall wellbeing. If Australia is to narrow the gap on Indigenous disadvantage, clearly access to affordable, secure and suitable housing must be a high and immediate priority. Otherwise, efforts to lift the health and education standards of Indigenous Australians and to improve their employment prospects will be undermined.

17.33   The committee underlines the observations of the Henry Review that housing assistance should reflect the difficulty Indigenous Australians may face in accessing mainstream housing markets. In addition, the particular housing needs of Indigenous Australians in remote areas should be addressed through specific measures, such as the provision of capital for house building.[47] This observation remains starkly relevant.

17.34   The statistics presented in this chapter show that Indigenous households were six times more likely than other Australian households to live in social housing. Moreover, a significant number of those in social housing experience overcrowding. For example, 13 per cent of Indigenous tenants in public housing in remote and very remote regions were living in overcrowded dwellings and 11 per cent in major cities.

17.35   Considering the interconnection between housing and health, education and employment—which are major concerns with the government's efforts to close the

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45   *Submission 127*, p. [4].

46   *Submission 127*, p. [5].

47   *Australia's future tax system,* Report to the Treasurer, December 2009, Part Two, Detailed analysis, volume 2, p. 596, http://taxreview.treasury.gov.au/content/downloads/final_report_part_2/AFTS_Final_Report_Part_2_Vol_2_Consolidated.pdf (accessed 12 December 2014).

gap on Indigenous disadvantage—the committee believes that housing should be very much a part of the Prime Minister's closing the gap report.

Recommendation 29

17.36   The committee recommends that housing should be included in the Prime Minister's *Closing the Gap* report: that access to affordable and appropriate housing must be regarded in the same context as Indigenous education, health and employment.