

Homelessness in High Income Mining Towns and the Opportunity for Big Business To Play a Part

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Presented at the 4th National Homelessness Conference, Australian Federation of Homelessness Organisations (AFHO) Sydney, 1-3 March, 2006

ABSTRACT

The availability of affordable housing in some rural towns has reached crisis for many families. For some rural towns the landscape is characterised by a lack of housing choices and expensive rent. Enterprises like mines, which are the dominant community industry, have had a marked affect on basic needs like housing. Rents at \$300-\$400 a week in mining towns makes it untenable for anyone other than high income mine workers. This presentation examines the interplay between affordable housing and families, the implications when income levels change, when couples separate, and when residents are not employed within the mining industry. We highlight experiences of individuals and families living in “high income towns”, their housing stress and their experiences and risks of homelessness. This paper explores the opportunity for large industries, like mining corporations, to contribute to the issue of affordable housing in rural areas, and the potential for partnerships between Corporate Australia, Government, Non-Government Organisations and the community to find local solutions to address the problem.

WHY MINING AND HOMELESSNESS?

The mining resource sector has seen a surge in global demand and profitability in recent years. Employee numbers and contractors have increased significantly, swelling some town populations. As a direct result of this boom in the mining industry, the supply of housing has struggled to keep pace with the growing demand. The end result has been that the cost of rent and home ownership has escalated to amounts that precludes many individuals from being able to afford, other than a handsomely paid mine worker.

This paper highlights the experiences of those most marginalised in mining towns. Through our roles as Centrelink Social Workers at the Queensland and South Australian Rural Call Centres, we have observed the housing cost strain for individuals and families and the subsequent homelessness that can face those not employed in the mining industry. Centrelink Social Workers play a critical role in assisting people who are homeless or at risk of homelessness. Accessing income support, stabilising their accommodation and maximising participation are some of the outcomes for those most marginalised. Whilst Centrelink is committed to addressing structural and individual factors that contribute to homelessness, the views expressed are the personal views of the authors.

The combination of changes in the housing and labour market in mining towns calls for new responses by all levels of government, the community and private sector to increase the availability of affordable housing. For sustainable communities in rural mining towns there needs to be an adequate supply of affordable housing for those who are on lower, or more variable incomes. There also needs to be a range of dwelling types and tenures to meet the changing life cycle needs and household economic circumstances (Housing Resource Kit 2003). As Centrelink Social Workers we observe those most commonly at risk of social exclusion and housing crisis in mining towns are: Women separating from their partners; older children of mining families moving towards independence; those individuals/families no longer employed in the mine; and those employed in other non-mining businesses.

This paper will highlight some partnership approaches to address the issue of housing affordability and increasing the sustainability of mining towns. Models of affordable housing and partnership approaches between sectors - mining corporations, all levels of government, Non-Government Organisations(NGO's) and the community are promoted as realistic approaches to achieve this mix. Each mining community has specific local characteristics that require local solutions, we will discuss how community development officers, funded by local government, government and/or the mining companies can be a catalyst for effective community development work.

EVERY MINING TOWN IS UNIQUE

Mining towns have issues that are distinctly different from other non-metropolitan areas. The range of issues includes: town structure, incomes of employees, town life expectancy, company influence within towns, and mining cultures. Mining town structures can be characterised in a number of ways:

- Fly in, fly out
- Closed towns
- Open mining towns

Fly in, fly out: This is where mine workers are transported from their city urban residence to the mine. Usually employees will spend a period of time working and living in single quarters (e.g. 7 days) then be transported home (e.g. 4 days off) as rostered shift work (Fisher 1989).

Closed towns: This structure is becoming increasingly uncommon, and is one where the town is run like “company subsidiaries.” All residents are attached to mine employment (employees or their family), all services are provided by the mine, and the company controls participation of private sector and government (Fisher 1989).

Open mining towns: Gained popularity in the 1970's through a process of ‘normalisation’ and is one which transfers management of township to shire councils, and where partnerships with private sector and government are sought for the provision and maintenance of infrastructure (Herb 1981).

Costs of Towns: It costs 1.5 times more to build a mining town compared to a similar size city suburb, and it is estimated to cost 30% of the project's total costs with subsequent on-going maintenance costs. Another consideration of cost is the knowledge that there is a projected life expectancy of the mine. It is of little surprise that open

mining town structures, with private and government investments, have gained popularity (Fisher 1989).

Income: Open mining towns, whilst described as “running like any rural centre” (Fisher 1989) are fundamentally different. It’s hard to retain residency in “Boom Town” when you have lost mining employment. Life in mining towns is often described as a false or inflated economy. People living side-by-side may face gapping chasms in income levels, from the miner/contractor earning \$80-\$130,000 per annum, to the neighbour on \$40,000. Those living on Income Support are in a far worse position. The ability for residents to compete for a resource such as housing in open mining towns becomes particularly challenging when there is insufficient supply, particularly high housing costs, and exorbitant differences in incomes.

“I pay \$140/ week rent for my 3 bedroom transportable home but my employer subsidizes this as the full rent is \$350/ week.” Local Government Worker

“Unless you work here, why would you live here? Why pay \$400 a week here when you can live by the sea... living is cheaper... More services...and probably pay less.” Guidance Officer

Two Mining Town Examples: Blackwater, QLD and Roxby Downs, SA

To clearly demonstrate the changes in housing with some mining towns, two towns that typify housing cost growth and availability have been selected: Blackwater and Roxby Downs.

Blackwater, Queensland: In an article by Hall (1993) the Queensland township of Blackwater is highlighted as an example of a mining drawing to an end, with over one hundred vacant houses sitting idle in the early 1990’s. Since that article was written and in the last two to three years Blackwater’s population has seen a surge in numbers with the establishment of five mines.

Roxby Downs, South Australia

Roxby Downs is a rapidly expanding mining town with significant increases in mining production and consequently population, forecast over the next few years. This will place even greater pressure on a housing market that already cannot meet demand.

Blackwater	Roxby Downs
2000- Home Value Purchase \$25-\$30k	2002- Home value purchase \$124,000
2006- Home Value Purchase \$250k	2006- Home value purchase \$290,000
2004- Rent \$200 week	2002- Rent \$180/week
2006- Rent \$350 week	2006- \$350 - \$450 /week

Tenancy Protection- Sean Brennan from the QLD Tenant Advice and Advocacy Service of the Access Community Housing Association highlights how a 12 month lease of \$200 per week can expire, and the subsequent new lease increase is to \$350 per week. There is currently no adequate QLD legislative protection against increases in rent during lease

negotiations, it is “purely market driven where social impacts need not be considered.” For the council worker residing in a rental home for the last 5 yrs, on a fixed wage, a 150% increase in rent costs, places a significant housing strain on that family.

Contractors- In Blackwater and Roxby Downs mines contractors are currently a significant labour force supply during the construction phase. Contract work is suggested to be unpredictable, with work available for a period, then no work at all. One of the impacts of increasingly relying on contractors is that companies usually do not need to provide housing, with the private rental market meeting the need.

“Contractors have been known to sleep in their cars when they have a contract to fulfill and nowhere to stay.” Roxby Downs resident

Supply- In Blackwater the private rental market meets the need with waiting lists. Blackwater Real Estate agents have over 30 names on their waiting lists plus over 10 houses wanted by companies. Companies are prepared to pay \$450 per week for a 4 bedroom, air-conditioned home. In both caravan parks Bottle Tree Caravan and Doon Street Caravan Park there are waiting lists of over 20 people. All the residents in these caravan parks are workers and are not planning to move out anytime soon. In Roxby Downs one Land Agent had a waiting list of eighty people, another advised they closed off the list after thirty requests. Caravan Parks also advise that they have no vacancies for cabin accommodation and significant waiting lists exist.

Those who have a longer term commitment to the mine may reside in private rental accommodation with their families but are vulnerable when employment opportunities is insecure, with a commitment to \$350 per week in rent to maintain.

“This time families are not coming to town like they did in the last big boom (10 yrs ago). Housing is so limited, it’s so expensive that they are staying on the coast, and hubby travels home on days off...that’s not good for business, that’s not good for our rural town...the school has 30% less students this time...” School Guidance Officer

Housing affordability and availability in a market with high demand is a concern for anyone facing personal hardship. Those on low wages, income support payments or in episodic employment face monochromal housing options (Wisegate & Eastgate 1989). Mining towns certainly do not have the range of affordable housing options that are provided for people on low incomes in regional or metropolitan areas (it is acknowledged that existing metropolitan areas are over stretched and do not meet the current urban needs). With accommodation costs being a significant percentage of the weekly income, and food and petrol costs also likely to be higher, it becomes unsustainable for people on low incomes to remain in mining towns.

“Affordability problems can create family stress leading to family breakdown, depression and health problems which impose costs on the wider community” (Housing Resource Kit 2003)

Housing affordability extends far beyond shelter. High costs can dislocate people from their local support network. These are often informal networks such as socialising at the hotel, participating in sporting clubs. This isolation can lead to a lack of social connectedness and risks to mental health such as depression, resulting eventually to a greater demand for formal support services (Housing Resource Kit 2003).

MARGINALISED RESIDENTS - WOMEN, CHILDREN AND YOUNG PEOPLE

Women and children already carry the burden of the social costs associated with living in mining towns. Some of the pressures described are isolation from extended family, lack of work/career opportunities, lack of access to a full range of services, geographical isolation, home lives revolving around 12 hour shift work, and male/alcohol dominated town cultures (Gibson 1994, Collins 1999, Chung et al). In addition to these issues, unsustainable rent prices leave a recently separated woman with very little choice about remaining in the township. The preferred option of providing children with access to both parents to minimise the destabilising effects of parental separation, and striving to maintain continuity in children's education, and staying in physical proximity to friends is often not viable. When rent is 100% of your government income support payment it becomes impossible to live in "Boom Town." Housing affordability and supply particularly affects women who are receiving low wages/income support, and affects their choices in working through the separation process.

Melanie's story highlights the challenges for some women....

Melanie and Simon have 2 children, James and Bella, Simon is a mine worker and earns a good wage. As their relationship deteriorated Simon refused to provide financial support to Melanie and the children, other than paying the company house rent and utilities. Melanie's only source of affordable accommodation was to remain living in a conflictual hostile environment with her ex-partner. Melanie was able to support her and the children through work. When Melanie injured her back and was unable to work she found that she was not eligible for Income Support from Centrelink because of her husband's income.

The Centrelink Social Worker was able to advocate for her to be regarded as Living Separated Under One Roof for a short period and hence be eligible for Parenting Payment Single. She was able to save up enough money to move. Melanie relocated to a larger rural town that provides more supports, affordable housing and a better lifestyle for her and the children.

Young People: It is suggested that some mining towns present structural barriers which risk impacting on social and economic participation. Another vulnerable group in mining towns is the young adults in mining towns. Hall and Scheltens (2005) highlight the issue around young people leaving rural towns and this is similarly the risk in mining towns. For many young people the natural progression to independent living is fraught in mining towns with difficulties related to accessibility and affordability of housing. As second and third generation children grow up in mining towns they need options for affordable

housing that will enable them to continue to reside in their home town, but independent from their parents.

“My husband and I have separated and our boy wants to stay in town...he has an apprenticeship lined up, that’s looking good for him. Since we broke up he can’t live with dad, they fight too much, so he is looking for somewhere else. Might stay with uncle for a bit, but that won’t last forever.... I don’t know how he will manage surviving on his own.... there’s no 1 bedroom flats, and he can’t afford his own place.”

Mother of a 17 yr old son.

FAMILY VIOLENCE IN MINING COMMUNITIES

The gender composition of mining towns has changed in the last thirty years, highlighting that increasingly some companies are attempting to recruit married couples, in preference to single men (Newton 1984). Women who are in relationships affected by domestic violence are particularly vulnerable in rural areas, including mining towns. Seeking assistance or ending a violent relationship is challenged by lack of services, particularly safe alternate accommodation options, remoteness, distance from family supports and the cost of relocation (WESNET 2000). While mining families are collectively on high incomes, violent relationships are often characterised by financial control, which impacts on the means to leave.

“We earn over \$100,000 a year. He knows I am leaving, and has cancelled access to all the accounts. Rent here is \$500 a week. I want to stay because my parents are here, my son loves his school...I have friends here...I work in the cafe...if I leave him then I have to leave town...with my health, I don’t know if I can do it on my own.”

Marie lives 200km from regional centre, in a closed mining town, with no safe accommodation.

Safe House availability differs with each mining community. Some companies have progressively developed tri-sector relationships with NGO’s and provided housing stock, but invariably women are situated many kilometres away from the nearest Domestic Violence Support Service.

In Leigh Creek a Safe House has been funded by mining company NRG Flinders and is accessed through the local Police Station, providing safe overnight or short term accommodation for victims of domestic / family violence. Leigh Creek, population 400, is 260 kms, north east of Port Augusta where the nearest Domestic Violence Service is situated.

“ On one occasion the survivor and her children stayed with a local health worker overnight and were able to catch the Flying Doctor plane out of town the next day. As this plane only comes periodically to bring health workers from the regional centre she was fortunate to be able to leave in this way. In terms of safety for the health worker it was not an option that we could recommend but sometimes you just have to make do in such remote locations.” DV Worker

CORPORATE SOCIAL RESPONSIBILITY AND PARTNERSHIP APPROACHES

Having considered the challenges of living in “Boom Town” when life does not run a smooth course, our next challenge is to consider what might be some of the opportunities that would lead to some effective local solutions to the issue of homelessness in mining towns. In this paper we focus on the contribution that mining corporations, in partnership with other stakeholders can make to the issue of housing in mining towns.

The commitment of mining companies to corporate social responsibility provides a context for why a mining corporation might be interested in the issue of affordable housing and the development of sustainable communities.

“Corporate social responsibility (CSR) calls for a company to respond, not just to its shareholders but also to other stakeholders, including employees, customers, affected communities and the general public, on issues such as human rights, employee welfare and climate change.” (Hamann 2003, pp 238)

Exercising social responsibility may have direct implications for bottom line profits. Hamman (2003) makes the point that “good community relations are crucial for a company’s reputation, which in turn, is vital to the company’s access to financial resources, government permits and highly qualified staff.” Maintaining a good reputation as a corporate citizen can have positive impacts on local project management, community relations and even at an international level, lead to a competitive edge in future projects.

CSR has seen a fundamental shift in practice moving away from philanthropic and impact mitigation strategies and moving further along a continuum of Community Investment and Eco-efficiency to full Social Partnerships. [Diagram]

BUSINESS PERSPECTIVE

NGOs seen as partners

Involvement of communities and NGOs

NGOs seen as irrelevant or even threatening



CIVIL SOCIETY PERSPECTIVE

Business seen as partner for social development

Business seen as source of funding, but still mistrusted

Business seen as opposition in social development

Figure 1: The evolving CSR agenda from philanthropy and impact mitigation to social partnership Hamann (2003)

Partnerships are promoted as a more efficient and effective way for companies to contribute to sustainable development (Business Partners for Development 2002), with each stakeholder being able to contribute based on what they do best. For instance;

- A mining corporation might contribute engineering services, project management skills;
- Local government contribute land, regional planning frameworks;
- State government contribute in terms of service provision and taxation
- NGO's contribute personnel and auspice skills;
- The community contributes time, ideas and local input.

It is feasible that such a partnership could contribute to community housing initiatives in a mining community, or other models of affordable housing or social housing. From a community integrity and stability perspective, sustainable outcomes in terms of affordable housing options for the most vulnerable in mining communities needs to be a part of this agenda.

“Whether action should be taken to address the needs of disadvantaged households is an ethical issue. But it may also be a risk management issue. To do nothing about social exclusion may court longer-term social and economic problems.” (Housing Resource Kit 2003)

HOUSING AFFORDABILITY AND SUSTAINABLE COMMUNITIES

“Housing affordability has become a mainstream issue. The combination of housing market change, labour market change and household restructuring means that a growing number of Australians are no longer able to access affordable housing, suggesting the need for new kinds of responses from all levels of government, the community sector and the private sector.” (Housing Resource Kit 2003)

Social Housing: The targeting of social housing to those most in need, and with new social housing projects based largely in the metropolitan centres, means that an increasing number of rural people are not having their housing needs met through state based social housing services. Mining towns such as Roxby Downs and Leigh Creek do not have any accommodation provided by the state social housing provider. Queensland Department of Housing has some social housing available: none in Glenden, very limited in Middlemount, more extensive in Moranbah (however still long waiting list), and a significant number in Blackwater (again long waiting times). Local feedback indicates that the numbers of housing stock in those towns have not increased for the last five years, in fact they have decreased with lease arrangements made out to mines and private real estate agents.

Employment Tenancy Program: Moranbah has about 96 houses and Blackwater has 53 houses owned by Dept of Housing that is leased out to the mines. Whilst these leases may have suited a time when excess housing stock was sitting vacant, this has critically changed in the last three three years in both these communities. The rent paid by mining

companies would be a good opportunity for social housing to build new adaptable styled housing in communities of growth like Blackwater. Beer notes the withdrawal of housing to rural staff by large corporations and government departments places a further strain on the limited supply of rental housing (Parity Vol 15, Issue 6).

PARTNERSHIPS - A WAY FORWARD FOR AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES?

Each mining town throughout rural and remote Australia is incredibly diverse. They share similar difficulties such as difficult physical environments, geographical isolation, limited access to a wide range of services, marginalised groups within the population and housing shortages. However the solutions for each mining town need to be tailored to the particular characteristics and needs of that community.

Locally Based Community Development Officers.

Some mining corporations and/or local governments in mining towns have appointed Community Development Officers with a mandate to work with key stakeholders in their community, identify local needs and use a participative development model to identify effective local solutions. We have identified that partnership approaches are more likely to be effective and produce sustainable outcomes for communities. The reality is that building collaborative partnerships, indeed social capital in communities, requires time. We would argue a dedicated position, such as a Community Development Officer, could be a useful tool in building the partnerships and involving all stakeholders Government, the community, NGO's and corporations.

Community Development Officers could explore whether issues around emergency and safe accommodation for women, children, youth, and homeless people is an issue in their community. Submissions to mines could be made for the provision of suitable housing stock to be donated, and for partnerships with local NGO's to provide the staffing and co-ordination of this housing service.

Human Resource Approaches to Domestic Violence by Employees.

Much of the discussion in this paper has centred on the presumption that women and children who are victims of domestic violence will need to leave their home. Indeed in a mining town when the home is provided as a part of the husband's employment this becomes a difficult situation to manage. However under state Domestic Violence Legislation the perpetrator could be required to move out of the rental property to enable the family to remain safely in the home. In a mining town an innovative response would be for the perpetrator to move to any single male quarters and receive intensive counselling about his behaviour, whilst both parties receive support from the Employee Counselling Service, and the woman and children receive additional outreach support from the nearest DV service. A Restraining Order could also assist to provide an additional safety measure. Domestic Violence is not just a family issue and by enlisting the support of the employer to address the issues, a perpetrator may find the motivation to challenge and change their behaviour. This is not a solution that would fit in all cases,

particularly when ongoing safety is an issue, however it could result in positive outcomes in some families.

SAAP Funded Services

Service providers funded by the Department of Family and Community Services to manage the Supported Accommodation Assistance Program [SAAP] are largely based in regional centres near to mining communities. These services may have a Domestic Violence, Youth or Family focus. Some manage “transitional houses” provided through the State Housing Authority for their clients to move into until they are able to make the transition to other independent forms of housing. Our recommendation is that these services consider the procurement of transitional housing in their local mining communities. It is recommended that mining corporations provide the funding for such stock, as part of their corporate social responsibility. Clients could remain in the community when a crisis until they secure alternate housing, rather than these clients having to moving to the regional centre to access this support.

For example: The regional DV service and Youth service form a partnership to secure two houses in their local mining community. Through the support of the local mining company the house could be provided at a rent commensurate with social housing rent, rather than the market rent in that community. The houses are then managed by the SAAP services and become available on a short-term basis for both women and children leaving a DV situation, or a young person who is homeless. Support for the clients could be provided from the services at the regional centre and also brokered from a local Family/ Youth worker employed by either local government or the health service. The partnership approach between the two SAAP services enables maximum usage of the property. The Leigh Creek Safe House example provides this resource to some extent but this model would enable clients to remain in their community until they were able to secure other permanent accommodation or be able to resolve the crisis situation that led to the move.

Affordable Housing Options

Planning approaches – local government

The Queensland State Environmental Planning Policy may enable councils to require that a proportion of new dwellings in a housing development be dedicated to affordable housing (National Community Housing Forum, Paper No 6). Where mining towns are undergoing expansion and further development other state Planning Laws may provide an opportunity for local government to advocate for provision of affordable housing.

Partnerships for Affordable Housing.

New models for the development of affordable housing could involve NGO’s, such as a incorporated Community Associations, a mining company, local government and the state housing authority. Again when mining populations are undergoing development there is room for some key stakeholders to consider working together to create more appropriate and equitable models of housing in their community.

Conclusion

This paper was inspired by the experiences of the authors through their work at the Queensland and South Australia Centrelink Rural Call Centres. Common themes in calls received from residents in mining towns emphasised the housing strain they experience: from cost, to availability to flexibility. Through our experiences with residents and through our research it is noted that there are structural changes that could enhance housing options for those most vulnerable. Partnerships between the mining sector, NGO's, local and state government have provided best practice examples in alleviating housing strain, but these are not consistently applied across different towns. Positions such as Community Development Officers can be pivotal in determining local needs in each community across a range of issues including housing. In a time of mining growth across many areas, with town populations booming in short periods, housing strain and homelessness are everyone's business from the mining industry, to community members, landlords, NGO's, and Government.

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