

Attachment 1: Current housing situation in the Pilbara

Private rental environment

- The Pilbara is one of the most volatile rental markets in the state according to Domain.
- The end of the moratorium on rent increases and evictions has seen an increase in incentive for investors to increase rent or evict current tenants and re-let at a higher price. New tenants are facing substantial rent increases.
- Over the last year Feb 2020 to Feb 2021, rental prices have increased up to 40% in Karratha, 3.8% in Port Hedland, 18.4% in South Hedland, 17.6% in Newman and 4.8% in Onslow¹ (realestate.com.au).
- Current median house rental prices are as follows²:
 - Karratha \$789.20 with prices as high as \$1500
 - Port Hedland \$1047.22 with prices as high as \$1500
 - South Hedland \$641.67
 - Newman \$574.44
 - Onslow \$450
 - Tom Price no properties available for rent. Recently, a rental property was advertised for \$2500 per week.
- The availability of rentals is extremely low across the Pilbara. Residential rental vacancy rate is currently below 1% in the Pilbara. For example, in April 2021, Karratha had a 0.9% rental vacancy rate³. Tom Price has no rentals available.
- State government is placing significant demand on the rental market with 25% of private rentals occupied by government employees.
- Resource companies and contractors relocating FIFO staff to the Pilbara has further exacerbated the rental accommodation shortage.
- A recent survey indicates that the estimated number of NGO staff seeking or requiring 3-4 bedroom rental accommodation in 2021 is as follows:
 - City of Karratha – 177
 - Town of Port Hedland – 84
 - Shire of Ashburton – 19
 - Shire of East Pilbara - 43

Purchase environment:

- House prices have been increasing since 2017, with 39.1% growth from November 2019 to November 2020. Port Hedland saw an annual growth rate of 31.1%, Karratha 11.9% and South Hedland 33.6%.⁴
- Current median house prices are \$640k for Port Hedland, \$345k for South Hedland, \$585 for Karratha, \$300k in Newman, \$332.5k for Tom Price.⁵
- According to Realestate.com.au in August 2021, Tom Price had no private rentals and only 7 houses for sale, while Karratha had only one house for sale and 3 rentals.

¹ Realestate.com.au

² Realestate.com.au, 10/9/21 based on average of newest 15 advertised rentals for houses (or average of all advertised rentals if there are less than 15 properties)

³ Reiwa.com.au

⁴ Realestate.com.au

⁵ Realestate.com.au, 10/9/21

- Resource companies moving towards a localized workforce as a result of the Covid19 pandemic coupled with the rental accommodation shortage has led to an increased demand for property ownership and a hike in purchase prices.
- The rental shortage and current high rent yield is drawing investors into the property market, further pushing up purchase prices. This is forcing locals to leave town.

Social Housing / Service Worker Accommodation

- There is a shortage of social housing across the Pilbara, with unoccupied houses requiring maintenance.
- There are waitlists for all service worker accommodation across the Pilbara.
- GROH housing, where available, is rented to NGOs at commercial rents, which is unaffordable for many of these organisations.
- In Hedland, employees accessing the NGO Housing Scheme pay \$440 per week for a property whereas a government worker would pay \$228 per week for the same property. This rent of \$440 is often more than 50% of an average NGO worker's wage.

Impact on Staff, Recruitment and Retention

- Few NGOs have their own housing available for staff and for most organisations the core funding received from government does not provide for the payment of housing allowances to staff.
- Rental properties in the Pilbara are prohibitive and financially untenable for NGO workers on an average wage of \$70,000 per year (Social and Community Services SACS Award). For housing to be affordable, the rent should be no more than 30% of gross income, which would equate to \$403 per week for a worker on an average wage of \$70,000 per year. Currently the median rental prices in all towns across the Pilbara are higher than \$403 per week, currently ranging from \$574 to \$1047 and above.
- Anecdotal feedback suggests that a number of staff are living at home with extended family in crowded conditions in small houses. This unconducive environment not only affects health and wellbeing and hence productivity at work, but also raises several serious potential social concerns including child protection issues, domestic/family violence and environmental health issues.
- There are a number of NGO staff who are living in 'alternative accommodation' as it is impossible for them to find a home due to the exorbitant rental and purchase prices. Alternative accommodation includes couch surfing or living in a caravan.
- Housing and accommodation affordability is one of the barriers impacting on Aboriginal employment. Aboriginal employees who are not eligible for government housing benefits as they earn more than the Centrelink threshold have nowhere to go for alternative accommodation. With cases of Aboriginal staff and families leaving the Pilbara region due to lack of affordable housing we now face the risk of losing the very people from the region that we are working towards getting into employment.
- Many NGOs cannot provide any job security, as they are reliant on yearly funding agreements. This affects the ability of staff to take on a long-term rental, secure a housing loan or maintain mortgage repayments should they lose their job. Short-term leases are hard to acquire and not affordable.
- The escalation of rental costs and house prices as well as the critical shortage of accommodation in the Pilbara is seriously constraining the ability of NGOs to recruit staff from outside the Pilbara, especially for professional/managerial roles. The only people willing to work are those living locally with partners who already either receive a house or a housing allowance through their work (i.e. spouses of those working for

the resource industries), yet there is a limited skills base in the towns. Many of the people living in the Pilbara with that have qualifications and experience tend to work for the resource sector due to high salaries and benefits.

- NGOs are experiencing an increased rate of staff attrition, due to the high living costs, in particular housing affordability and supply, coupled with low salaries compared to the resource companies. Staff are relocating to towns where housing is more affordable, with organisations losing knowledge and experience.
- Staff positions are vacant for lengthy periods of time unless housing or housing allowance is provided by the employer.
- Staff are facing increased stress and anxiety levels in the workplace and home due to increased workload.
- Organisations are at risk of losing staff, in particular local Aboriginal staff, who are not eligible for government housing benefits as they earn more than the Centrelink threshold yet cannot afford current rental prices. This is impacting on long-term Aboriginal employment outcomes.

Impact on Service Delivery

- Inability to attract and retain staff often results either in reduced quality and level of service or a heavily increased workload for existing staff who have to assume extra responsibilities. Many NGOs are understaffed, working up to 30% below normal staffing levels with key positions having been vacant for many months, reducing the level of service to the community to well below expectations and standards, and constraining the ability to expand service delivery. This is having a detrimental impact on clients, especially Aboriginal clients and clients in the more remote towns who have limited access to services.
- Service expansion and diversification is being compromised by inability to attract and retain staff due to the housing situation.
- NGOs that deliver short-term specialist services are struggling to secure housing impacting their ability to deliver these critical services.
- NGOs, which are already overstretched and under-resourced, are seeing a substantial increase in their workload as a result of the effect the housing situation is having on their clients.
- There is limited or no accommodation for clients experiencing family and domestic violence or homelessness.
- Staff instability and vacant positions means organisations are unable to deliver a full scope of services to clients, with longer wait times for existing services. Some organisations, for example, childcare centres, are unable to operate at full capacity due to legislative requirements for staff/child ratios.
- High staff attrition results in a loss of knowledge, familiarity and experience within the organization. For organisations working with vulnerable clients, staff consistency is key to building and maintaining trust based relationships.
- High staff attrition leads to increased recruitment, onboarding and training costs, taking vital funds away from service delivery.

Impact on visiting services

- No accommodation for visiting services – huge problem for inland towns. Hotels and motels full with overflow from mining camps or clients from supporting industries. Many guests are long-standing clients working for the mining sector or supporting industries.
- Short term accommodation prices increasing in line with rental market.

- External service providers have to plan trips around availability of accommodation, including planning around shutdowns when accommodation is at a premium. Many are reliant on mining companies making accommodation available.
- Lack of housing hinders the delivery of essential services into inland towns and remote communities. This includes public health care providers, allied health services, teachers, government services such as Centrelink and Department of Corrections and social services such as Headspace and Pilbara Community Legal Service. Some services are delivered using a FIFO model which is not ideal as it is not always the same person who visits making it difficult to build relationships and trust with clients.

Impact on clients

- Inability to offer essential services in the community is reflected in increased numbers of mental health issues and severity, family violence incident rate, downward trends of educational outcomes being met.
- Domestic violence victims opt to return to abusive relationships because they have nowhere to go.
- Aboriginal community members who desire to escape destructive community dynamics have nowhere to go. Welfare concerns for children and Elders.
- Primary and secondary schools severely impacted in their ability to attract and retain staff.
- Aboriginal people are being priced out of the housing/rental market and being made homeless on their own country. This is impacting on the success of Aboriginal employees.
- Aboriginal people are being trapped into the poverty of social housing. There is a diaspora of remote Aboriginal people living in social housing in coastal towns who have a desire to move back to their homelands.
- There is overcrowding and pressure on Aboriginal families living in the towns.

Specific Pilbara Examples

Newman – remote housing shortages in the Western Desert Communities

Western Desert communities are faced with inadequate housing stock and dilapidate housing stock due to lack of maintenance, especially for communities that have not signed the HMA agreement and have no GROH houses. This leads to:

- Overcrowding with as many as 20 people in one house at times in the remote communities. This means that communicable diseases like scabies, impetigo and others abound and spread very quickly. Rheumatic disease is also prevalent.
- Clinic becomes a repair shop as patients present then return to the same housing conditions and perpetuate the cycle of infection.
- Staffing issues.
- Should Covid19 hit these communities, their ability to isolate or social distance would be seriously challenged.

Recommendations to address housing shortage, improve health outcomes and make the communities sustainable:

- Fund more housing units in Parngurr, Punmu and Kunawarritji
- Provide more Health and School housing in the same locations
- Ensure adequate maintenance budgets under revised HMA housing agreements.

Tom Price – impact on essential services

Tom Price and Paraburdoo are small mining towns in the Shire of East Pilbara.

Health

With poor outcomes in the 2018 Australia Early Development Census for Inland Pilbara Schools, the health care targets and priorities for community nursing and allied health care services are focused on early intervention for 0-7 years. The town has a visiting Paediatrician and allied health services (Speech and Occupational Therapy, social services, dietetics and physio) are provided within outreach service providers. Visiting and outreach service providers are reliant on available accommodation in the towns. These visiting services do not have the same impact as locally based providers as it is not always the same person who visits and it is difficult to develop relationships and build trust.

There is currently a local speech therapist and Physiotherapist supporting local needs and several private physiotherapist practices within Tom Price. All of these positions/services are reliant on hospital provided housing or company housing for a partner working for Rio Tinto. The demand for services and waitlists are very high. Given the number of referrals picked up in the early years, there is significant need for a fulltime locally based speech therapist and OT.

Education

With limited to no short-term accommodation, the schools struggle to house short-term teachers and trainee/practicum teachers. Last year, the Senior High School had three 'Flying Squad' teachers appointed for Term 3 who had to be housed by existing staff. The Department of Education does not provide any accommodation support for final years teachers interested in completing their practicums in country locations. All placements are reliant on available accommodation, which is usually from a friend/relative or one of the school teachers or Principal offering a room in their home which is not sustainable and contributes to high staff turnover. The cost of rental accommodation, when it is available, is prohibitive for a university student. The community benefits greatly from having final year teachers, many of whom are interested in vacant employment opportunities with the school after completion.

Visiting teachers, including Disabilities, Behavior, Learning Difficulties, Hearing and Health professionals, regularly cancel their visits due to lack of accommodation. This impacts on both teachers and students.

Students completing Certificate courses have a 'block release' where TAFE lecturers attend the school for 3-5 days for intensive study. These lecturers struggle to find accommodation. Currently they are using a room in the High School GROH Transit House, which will likely need to be used for permanent/contracted teachers in the future.

Visiting service providers

Staff from Adult Community Corrections try to visit monthly in line with the circuit court, to provide court follow up support and direction to clients, as well as support to organisations on the ground that deliver daily support to these clients. Due to limited accommodation these visits are often cancelled.

Centrelink remote teams are meant to conduct bi-annual visits which are often cancelled or rescheduled due to no accommodation. With low client literacy skills, many have a 'too hard' attitude to using the online system. These face to face visits are important as they break down some of the barriers that clients experience with government departments and support clients in resolving eligibility issues.

It is extremely difficult to bring training to Tom Price due to difficulties in securing accommodation and exorbitant costs when accommodation is available. Local service providers have to either open up their own homes to visiting trainers or avoid running the program with an external trainer and only use local people, which is often limiting and does not expand skills and knowledge in the community.

A number of service providers are looking to establish a regular service in Tom Price and Paraburdoo but are limited due to lack of accommodation. These include Pilbara Community Legal Services (financial counselling, legal aid, tenancy/housing support, redress) and Pilbara Headspace.

Client Housing

There is a shortage of available social housing. Being placed on the priority list does not result in accommodation when there is none available. Many residents in government housing have been there for many years and there is a very low turnover of properties.

There are families that want to remove themselves from antisocial issues and behavior they experience in remote communities, and move into town where they can access essential health, education and social services. With no social housing available in town, they have no choice but to stay in their disadvantaged circumstances. It is heart breaking to not be able to help clients who want to engage and improve their circumstances and improve their living environment. Offering families an available property in another part of the state is not an option for many who are Traditional Owners of the surrounding lands and what to stay locally on their country.

The State government needs to consider working with local Aboriginal groups to confirm land assets and ability of a partnership approach to build affordable houses for their local people.