

QUESTION ON NOTICE

SENATE ECONOMICS LEGISLATION COMMITTEE 5 NOVEMBER 2018 Inquiry into the indicators of, and impact of, regional inequality in Australia

Extract from Hansard - Ref: Page 41-42

ACTING CHAIR: That takes me to the next question, which is in relation to your opening statement as well, Mr Kirkman. In terms of the \$1.1 billion over 10 years for housing, a consistent issue we've heard raised with the committee is around the lack of housing not only in homelessness and social housing but also, importantly, for businesses and being able to have employees in the region. Do you want to give us some further understanding of where that housing initiative is for the \$1.1 billion over 10 years?

Mr Kirkman: Yes, we can certainly detail some of that. The \$1.1 billion is broken into a number of segments, with some delivered by the Department of Infrastructure, Planning and Logistics. A large element is the new house element, which is a couple of hundred million of that over the 10 years. There's an element around government employee housing. Part of that government employee housing element is also targeting local Aboriginal people who live in community and currently have to, I guess, compete for public housing houses with the rest of the community. This is recognising that they'll have an opportunity to get a house under the government employee housing program. That's being worked through. Another new element is the Room to Breathe program, which has been really successful and well received by communities across the Northern Territory. That's adding additional living spaces or improving current living spaces within each community. It's very much targeted at a local decision basis, where there are discussions with local community and individual households about what would better their actual living circumstances.

ACTING CHAIR: Is that in the \$1.1 billion?

Mr Kirkman: It is. That's right. The other element is, obviously, working through property management and tenancy management. We are very keen for the Australian government to continue to work with us on remote public housing. A large part of their commitment in the past has been around supporting our remote housing and property management staff. We would be looking to continued funding from the Australian government for those purposes and to add to the new house build and infrastructure, the delivery build, because every house we build in remote communities also needs a significant land servicing cost. Once you get to a certain scale, there are some large headworks costs from power, water and sewerage, for example.

ACTING CHAIR: So the \$1.1 billion is not in relation to the Commonwealth's recent announcement? Mr Kirkman: No, the recent announcement was matching—

ACTING CHAIR: With the remote housing?

Mr Kirkman: That's right, it was matching the NT's commitment over the next five years. \$550 million is what I understand.

ACTING CHAIR: Are you able to give us an update on that?

Mr Kirkman: There are still discussions underway. That's being done with the Department of Housing and Community Development and the Department of the Chief Minister with the Australian government. I'm not directly involved in those discussions, but I understand they're still continuing those discussions about how that funding could be used.

ACTING CHAIR: Would you be able to take on notice for the Northern Territory government to provide the details to the Senate inquiry?

Mr Kirkman: Yes.

Department of Infrastructure, Planning and Logistics

The following response is the advice provided from Department of Housing and Community Development:

On 19 June 2018 the Commonwealth Treasurer outlined terms and conditions associated with the \$550 million contribution for remote Indigenous housing in the Northern Territory. These terms were formally agreed by the Northern Territory Treasurer on 25th June 2018.

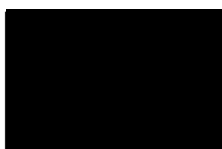
These parameters required the Northern Territory to:

- Retain responsibility for the sub-leasing arrangements in remote communities, including Alice Springs Town Camps, for the five-year period beginning 2018-19; and
- match five years of Commonwealth funding for remote indigenous housing of up to \$110 million per annum, commencing in 2018-19; and
- sign the sub-lease s referred to above as soon as possible before 30 June 2018.

As part of these arrangements the Commonwealth agreed that \$35 million of the Commonwealth's \$110 million annual contribution could be directed towards maintaining existing property and tenancy management services.

Officials from both the Commonwealth and the Northern Territory Governments' have been in negotiations for some time to finalise the content of the National Partnership Agreement that will underpin the full investment from the Commonwealth.

The Northern Territory has welcomed the Commonwealth's matched \$550 million funding investment over the next five years to improve living conditions across our remote communities. We hope the negotiations can be finalised in a productive manner so we can progress our joint investment in much need remote Indigenous housing in the Northern Territory.



Andrew Kirkman
Chief Executive

12 November 18