



**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER
HOUSING ASSOCIATION (NATSIHA)**

Submission to the
Senate Economic Legislation Committee
Inquiry into:

Housing Australia Future Fund Bill 2023 [Provisions] National
Housing Supply and Affordability Council Bill 2023
[Provisions] and Treasury Laws Amendment (Housing
Measures No. 1) Bill 2023 [Provisions]

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Summary

The National Aboriginal and Torres Strait Islander Housing Association (NATSIHA), on behalf of the National Aboriginal and Torres Strait Islander community-controlled housing sector, welcomes the opportunity to provide a submission to the Senate Economics Legislation Committee Inquiry into the Housing Australia Future Fund (HAFF) Bill 2023, National Housing Supply and Affordability Council (the Council) Bill 2023, and Treasury Laws Amendment (Housing Measures No. 1) Bill 2023.

The HAFF Bill and the National Housing Supply and Council Bill seek to give effect to two of the Government's key election commitments in relation to housing – the establishment of the \$10billion Housing Australia Future Fund, and the establishment of the National Housing Supply and Affordability Council via legislation.

The Treasury Laws Amendment (Housing Measures No. 1) Bill 2023 (Amendment Bill) gives effect to other components of the Government's housing related election commitments, including renaming the National Housing Finance and Investment Corporation as Housing Australia and consequential amendments to the new Bills, as well as amendments to address a recommendation of the 2021 Review of the National Housing Finance and Investment Corporation Act 2018.

This submission concentrates on key aspects of the HAFF Bill. It includes recommendations and raises points for clarification within the Bill. It focuses on the membership of the Council. It is essential that the Council has two Indigenous members (a male and a female) with housing expertise and further that there be at least one member representing the disability sector within its membership..

However, NATSIHA notes that this legislation represents significant and much needed new investment by the Commonwealth in social and affordable housing that should contribute to better housing outcomes for Aboriginal and Torres Strait Islander people. Accordingly, the legislation overall and its passage through the Parliament is supported by NATSIHA.

About NATSIHA

Established and constituted in December 2020, NATSIHA is an Aboriginal and Torres Strait Islander led, not-for-profit company and registered charity, and the first and only national community-controlled peak leadership and advocacy body for Aboriginal and Torres Strait Islander housing and homelessness, and the Aboriginal and Torres Strait Islander Community Controlled Housing Sector.

NATSIHA is a member of the Coalition of Aboriginal and Torres Strait Islander Community-Controlled Peak Organisations (Coalition of Peaks) and is the first and only national peak Aboriginal and Torres Strait Islander leadership body that provides expert policy advice and guidance to the Australian Government and stakeholders on improving Aboriginal and Torres Strait Islander housing and homelessness outcomes, and delivers advocacy, empowerment and strengthening initiatives for, and on behalf of the Sector at the national level.

Funded by the National Indigenous Australians Agency, NATSIHA's authority as the national leadership and advocacy body is drawn from ,and empowered by, its membership base. It is comprised of State and Territory Aboriginal and Torres Strait Islander Housing Peak Bodies and Aboriginal and Torres Strait Islander Community Controlled Housing Organisations (ATSICCHO's).

The National Agreement on Closing the Gap

NATSIHA considers that as Commonwealth Legislation, the HAFF Bill 2023, the Council Bill 2023, and the Treasury Laws Amendment (Housing Measures No. 1) Bill 2023 and their associated administrative arrangements should be inherently committed to implementing the National Agreement on Closing the Gap (the National Agreement).

Launched in July 2020, the National Agreement is an agreement between all Australian Governments and the Coalition of Peaks to enact a fundamentally new way of developing and implementing policies and programs that impact on the lives of Aboriginal and Torres Strait Islander people.

Critical to the National Agreement is the acknowledgement that when Aboriginal and Torres Strait Islander people have a genuine say in the design and delivery of services that affect them, better life outcomes are achieved, and as such, governments must work in genuine partnership with Aboriginal and Torres Strait Islander people to overcome the entrenched inequality experienced by Aboriginal and Torres Strait Islander People, so that their life outcomes are equal to all Australians.

The National Agreement sets out two types of targets for which all Government Parties have a commitment and accountability :Priority Reform targets, and Socio-economic targets. The Priority Reforms are central to the implementation of National Agreement and are integral to change the way governments work with Aboriginal and Torres Strait Islander people and communities. The Four Priority Reforms are:

1. **Shared decision-making:** Aboriginal and Torres Strait Islander people are empowered to share decision-making authority with governments to accelerate policy and place-based progress on Closing the Gap through formal partnership arrangements.
2. **Building the community-controlled sector:** There is a strong and sustainable Aboriginal and Torres Strait Islander community-controlled sector delivering high quality services to meet the needs of Aboriginal and Torres Strait Islander people across the country.
3. **Transforming Government Organisations:** Governments, their organisations and their institutions are accountable for Closing the Gap and are culturally safe and responsive to the needs of Aboriginal and Torres Strait Islander people, including through the services they fund.
4. **Aboriginal and Torres Strait Islander-led data:** Aboriginal and Torres Strait Islander people have access to, and the capability to use and lead, locally-relevant data and information to set and monitor the implementation of efforts to close the gap, their priorities and drive their own development.

NATSIHA are firm in the position that if the National Agreement is implemented fully, and in alignment with its intent, the nation can secure significantly better housing outcomes for Aboriginal and Torres Strait Islander peoples. As such, our recommendations are centered on embedding and implementing the principles of the Four Priority Reforms, and clauses of the National Agreement into the legislation.

In recognition of this, NATSIHA also recommends that each of the respective Bills should also include an acknowledgement of and commitment to the National Agreement in their pre-amble.

NATSIHA acknowledges that whilst critically important, not all matters raised in our submission can be enacted through amendments to legislation itself, and that in those instances where they cannot be enacted, they may be implemented through revisions to administrative and/or operational arrangements.

Recommendations

The NATSIHA recommendations for the HAFF Bill 2023, the Council Bill 2023, and the Treasury Laws Amendment (Housing Measures No. 1) Bill 2023 are centred on ensuring that the legislation fulfils the commitments in the Priority Reforms and other clauses of the National Agreement.

Part 3 – Division 2 – Grants

The draft explanatory memorandum states that the Housing Supply and Affordability Council (the Council) will have an advisory role in relation to the administration of the HAFF. However, there is no clear articulation of any transparency and accountability mechanisms in place as to the decision making processes on how funding will be determined, allocated and prioritised. NATSIHA also notes that there is considerable discretion afforded to the Council in this regard, as well as to the respective Ministers around disbursements.

Further, there are no mechanisms included in the legislation that would require, and enable co-design and shared decision making with ATSICCHO's, via NATSIHA on the development and implementation of research, policies, programs and funding outcomes, as decided by the Council, that directly impact Aboriginal and Torres Strait Islander People.

Recommendation: Additional transparency, accountability, and co-design mechanisms are embedded into the legislation, functions and responsibilities of the Council, and the administration of the HAFF, in alignment with the National Agreement.

NATSIHA notes that there is currently insufficient, incomplete and outdated data sets and evidence bases across the housing continuum, and that these are imperative to the effectiveness, efficacy and success of the HAFF and for securing better housing outcomes for Aboriginal and Torres Strait Islander People.

Recommendation: Sufficient funding is allocated for the establishment of such data sets and evidence bases to inform policy and program development and form the basis for decision making, and that ATSICCHO's, via NATSIHA must be engaged in a partnership and co-design agreement to implement this critical undertaking for Aboriginal and Torres Strait Islander housing.

Clarification is sought on who will deliver the housing funded by the HAFF. It is assumed based on the information available from the initial development of the fund that community housing organisations would be the primary delivery agent rather than the private sector or state and territory government agencies.

Recommendation: As a minimum, the legislation articulates that Aboriginal and Torres Strait Islander housing funded by the HAFF is to be delivered by ATSICCHO's.

Part 3 – Division 4 – Channelling State/Territory grants through the COAG Reform Fund

NATSIHA is concerned that the provision of funds via the HAFF to states and territories may result in some states and territories reducing their commitments to social and affordable housing outside of the National Housing and Homelessness Agreement (NHHA).

Recommendation: It is integral that the HAFF articulates that in addition to its provision, there remains a clear obligation, role and funding requirement for the states and territories in the delivery of social and affordable housing, which is also inclusive of land contributions, planning reform, infrastructure designations, and the inclusion of their own housing investment funds e.g. Queensland Housing Investment Fund.

Part 5 – Annual limits on amounts debited from the HAFF special account

NATSIHA seeks clarification on the rationale for the \$500million annual limit, and notes that the first review is not scheduled to be completed until 31 December 2028. Further, clarification is sought as to how the \$500million will be allocated. NATSIHA also notes that under clauses 55 and 55b of the National Agreement, all Governments have committed to:

- Implement measures to increase the proportion of services delivered by Aboriginal and Torres Strait Islander organisations, particularly community-controlled organisations.
- where new funding initiatives are decided by governments which are intended to service the broader population across socio-economic outcome areas of the Agreement, that a meaningful proportion is allocated to Aboriginal and Torres Strait Islander organisations with relevant expertise, particularly community-controlled organisations.

Recommendation: The first review be brought forward to ensure that the fund is operating as intended, and for additional reviews to occur every three years to increase transparency, and enhance housing outcomes.

Recommendation: The legislation include clear parameters to adhere to Clauses 55 and 55b of the National Agreement.

Part 6 – Investment of the Housing Australia Future Fund

NATSIHA seeks clarity on 1.159 Subclause 41(2) and 1.160 Subclause 41(4), and the criterion that is used to define what constitutes ‘maximising the return on the HAFF over the long term’, what risk matrix will be used to determine ‘risk and return’, and what would incite ‘restrictions or thresholds for investing the HAFF certain jurisdictions or asset classes and statements of the Government’s appetite for risk’. NATSIHA notes that these provisions may undermine and influence policy and funding decisions that perpetuate entrenched systematic barriers that exacerbate the extant disparities in housing outcomes for Aboriginal and Torres Strait Islander People.

Recommendation: Mechanisms are embedded to enable co-design and partnership of the Investment Mandate with ATSICCHO’s via NATSIHA to ensure that systematic barriers are removed, and that clarity, transparency and accountability is enhanced, to ensure improved housing outcomes for Aboriginal and Torres Strait Islander People.

Chapter Two: Creating a National Housing Supply and Affordability Council

NATSIHA are concerned about the membership to both the Council and to the Housing Australia Board (the Board).

While both have provisions for the appointment of members who have “substantial experience, expertise or qualifications” in Aboriginal and Torres Strait Islander housing (the Council) or “appropriate qualifications, skills or experience” in Aboriginal and Torres Strait Islander housing (the Board), neither represents a guaranteed membership criterion. Given the current state of the Aboriginal and Torres Strait Islander housing sector, it is imperative that there be designated positions on both the Council and the Board for Aboriginal and/or Torres Strait Islander people who have substantial knowledge of the Aboriginal and Torres Strait Islander housing sector. It is only people with this dual experience and expertise that can fully understand this sector.

Due to the current wording, it is possible that there will be no member on either the Council or the Board with knowledge, experience or expertise within the critical field of Aboriginal and Torres Strait Islander housing. NATSIHA would go further to suggest that not only is this criterion critical to both roles, it would be essential to have the roles filled by Indigenous members, with a strong preference for two (a female and male), to ensure cultural appropriateness.

Further, in addition to these appointments, the Council and the Board must be required to embed partnership and co-design mechanisms with ATSICCHO’s, via NATSIHA across any and all activities that relate to or impact Aboriginal and Torres Strait Islander housing, and housing outcomes.

Further it should be noted that another significant housing sector, that of Australians with disability, has been totally overlooked. There should be a member at least on the Council with “substantial experience, expertise or qualifications and significant standing” in the disability housing sector.

Recommendation: At minimum, it is imperative that an Indigenous representative is included on the Council, and the Board, with a strong preference for two (male and Female), and that NATSIHA should be either the representative on the Council, and/or involved in considering the nominations for the Indigenous representatives for the Council and Board positions. Additionally, NATSIHA must be included as a key stakeholder for co-design and partnership with the Council on matters impacting housing outcomes for Aboriginal and Torres Strait Islander People.