



NATSIHA

**National Aboriginal and
Torres Strait Islander Housing Association**

NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HOUSING ASSOCIATION (NATSIHA)

2022-23 FEDERAL PRE-BUDGET SUBMISSION

28 JANUARY 2022

Pre Budget-Submission – NATISHA Priorities for the 2022-23 Federal Budget

Executive Summary

NATISHA is the first and only national leadership body for Aboriginal and Torres Strait Islander Housing in Australia. Its purpose is to facilitate access to quality, accessible, affordable and culturally appropriate housing to help empower Aboriginal and Torres Strait Islander individuals, families and communities to optimise their health and wellbeing and improve their employment opportunities, access to education, connection to the community and sense of home.

A not-for-profit company and registered charity, NATISHA has been under development for 5 years. Its membership is open to Aboriginal and Torres Strait Islander community organisations that deliver housing services, known as Aboriginal and Torres Strait Islander Community Housing Organisations (ATSICHOs).

NATISHA's board is made up of Aboriginal representatives who have been involved in Aboriginal housing service delivery and policy development for many years. They include (but are not limited to) senior Aboriginal representatives of state and territory housing leadership bodies such as Aboriginal Housing NT (AHNT), Aboriginal and Torres Strait Islander Housing Qld (ATSIHQ) and Aboriginal Community Housing Industry Association (ACHIA NSW).

NATISHA is also a member of the Coalition of Aboriginal and Torres Strait Islander community controlled peak organisations and is committed to achieving its objectives in genuine partnership with Australian Governments.

The National Agreement on Closing the Gap, signed by the Coalition of Peaks and all Australian Governments, provides a framework for implementing that partnership. Importantly, it commits Governments to working in a new way with Aboriginal and Torres Strait Islander communities through four priority reforms:

Priority Reform 1 – Formal partnerships and shared decision making

Priority Reform 2 – Building the community-controlled sector

Priority Reform 3 – Transforming government organisations

Priority Reform 4 – Shared access to data and information at a regional level.

The four priority reforms provide a new platform for addressing the challenges around Indigenous housing in Australia. Those challenges have constituted a “wicked problem” since colonisation first began in Australia and the COVID-19 pandemic has exposed that the nation is heading for another Indigenous housing crisis. For the first time, however, thanks

to the leadership taken by the Commonwealth, there is an agreed framework through the four priority reforms that allows representatives of Aboriginal and Torres Strait Islander communities to solve the challenges on an equal footing with all Australian Governments.

Accordingly, NATSIHA's budget priorities go to implementing these four priority reforms as a matter of national urgency to improve housing outcomes for Aboriginal and Torres Strait Islander people.

Key Budget Priorities

NATSIHA's key priorities for the Commonwealth's 2022-23 Budget are summarised below:

1. Funding of \$500,000 per annum for 4 years for the Commonwealth to establish a housing policy partnership under Priority Reform One of the National Agreement on Closing the Gap to develop a National Aboriginal and Torres Strait Islander Housing Plan under the National Agreement on Closing the Gap negotiated and agreed to by the Aboriginal and Torres Strait Islander community-controlled housing sector and Australian Governments;
2. Funding of \$2,477,350 per annum for 4 years to refresh the Aboriginal and Torres Strait Islander community-controlled housing sector under Priority Reform Two of the National Agreement on Closing the Gap including to sustain NATSIHA as a national Indigenous housing leadership body modelled on similar best practice leadership organisations such as NACCHO and rebuilding the capability of the estimated 400 Aboriginal and Torres Strait Islander Community Housing Organisations (to enable capacity-building and sustainability that facilitates the registration of community housing providers in response to the Sector Strengthening Plan developed under the National Agreement);
3. Funding of \$500,000 in 2022-23 to transform the National Housing Finance and Investment Corporation (NHFIC) to respond to the housing needs of Aboriginal and Torres Strait Islander people under Priority Reform Three of the National Agreement including bringing stakeholders together to develop a business case in genuine partnership with NATSIHA for an Aboriginal and Torres Strait Islander Housing Boost Aggregator to finance Aboriginal and Torres Strait Islander community organisations for the provision of more affordable housing; and
4. Funding an ongoing system of \$500,000 per annum for collecting and using information and data on the need, supply and condition of housing for Aboriginal and Torres Strait Islander people and associated infrastructure under Priority Reform Four of the National Agreement.

Further information on each one is provided later in the submission.

A national challenge that Australia needs to urgently address – Housing for Aboriginal and Torres Strait Islander people

The latest snapshot on Indigenous housing produced by the Australian Institute for Health and Welfare (AIHW 2021, 1) states that a:

Safe, secure home with working facilities is a key support for the good health and wellbeing of Aboriginal and Torres Strait Islander people. Good environmental health – the physical, chemical and biological factors external to a person that potentially affect their health can influence life expectancy, young child mortality, disability, chronic disease, and family and community violence.

In an earlier report, the AIHW also noted the critical importance of safe, stable and culturally appropriate housing to education and employment participation of Aboriginal and Torres Strait Islander people (AIHW 2019, 7).

The importance of housing to life outcomes should not be underestimated. The ABC reported on 20 January 2022 that the Victorian Coroners Court has released its third report into Aboriginal and Torres Strait Islander suicide deaths which found that Victoria's Indigenous suicide rate jumped by more than half in the past year. The report indicated also that a recurring theme among the deaths included lack of access to stable accommodation.

It is well documented that poverty, unemployment, discrimination and a lack of appropriate housing impact Aboriginal and Torres Strait Islander peoples' ability to access the housing that they need. There are also cultural and lifestyle factors that influence the housing needs of Aboriginal and Torres Strait Islander such as high levels of mobility linked to cultural obligations to visit and accommodate kin, the need to maintain connection to Country, ceremonial commitments and succession of tenancy for family members. Inappropriately designed and located housing also continues to be a major issue, particularly for those with disabilities and complex needs where it is critical to be located either close to families and/or to support services.

Historically, all of these factors have combined to cause Indigenous Australians to be over-represented among people who are homeless, having difficulty with sustaining tenancies and those generally seeking assistance with housing. In fact, Aboriginal and Torres Strait Islander people continue to experience much poorer housing outcomes across the housing spectrum. The Productivity Commission (2021, 28) summarises the current situation, based on the latest AIHW and ABS data.

Box 1 – Housing outcomes for Aboriginal and Torres Strait Islander people

1. Aboriginal and Torres Strait Islander households, compared with other households, are:
 - half as likely to own their own home (with or without a mortgage)
 - six (6) times more likely to live in social housing
 - three (3) times more likely to live in overcrowded dwellings.
2. Aboriginal and Torres Strait Islander people, compared with other people, are:
 - ten (10) times more likely to be classified as homeless
 - Sixteen (16) times more likely to live in severely overcrowded dwellings
 - Nine (9) times as likely to access specialist homelessness services compared with other Australians

However, this data and information does not convey anything like the full situation that has continued to escalate due to the lack of appropriate policy, resourcing and sustainability of 'government investment'. Data availability is nowhere near as comprehensive as what it was before the Australian Government stopped funding the Community Housing and Infrastructure Needs Survey (CHINS) initiated by the former Aboriginal and Torres Strait Islander Commission. CHINS also provided a platform for developing strategies to respond to the challenges based on evidence. We also know from non-government organisations such as Health Habitat that started the Housing for Health program in 1985 that poor maintenance of utilities, including health hardware such as showers and toilets, electrical power points and heating and cooling systems continues to be a key contributor to poor housing and health outcomes.

For NATSIHA, to understand the extent of the problem, the '*lived experience*' of Aboriginal and Torres Strait Islander people needs to be factored into the policy responses of all Australian Governments. Nowhere has that lived experience become more apparent than when COVID-19 reaches Aboriginal and Torres Strait Islander communities. This vicious disease spread like wildfire through the community of Wilcannia in NSW when it arrived in October 2021. Included in the National Agreement on Remote Indigenous Housing, most residents of Wilcannia live in public and social housing. The ABC reported on 28 October 2021 (ABC News 'Our opinion was never valued: Wilcannia speaks out') that the Whyman family had to find a way to protect themselves while living with three other families in the same home where 20 people were crammed into just four bedrooms. All caught COVID-19 and there was nowhere to isolate. Three weeks into the outbreak, NSW Health finally offered isolation accommodation to COVID-19 patients in 30 campervans it hired for the town, too late to avoid some 40% of Aboriginal people in the town ending up with COVID-19.

Since then, the media has continued to report on experiences of Aboriginal and Torres Strait people having to respond to outbreaks of COVID-19 while living in severely overcrowded conditions from Thursday Island and Yarrabah in Queensland to Binjari, Lajamanu and Galiwin'ku in the Northern Territory. In the meantime, the ABC again reported on 18 January 2022 of a housing crisis in Halls Creek in Western Australia (ABC News 'Halls Creek's housing crisis puts further strain on women's shelter') that promises to provide fertile ground for COVID-19 to spread when this state opens its borders shortly. It's reported that up to 80 per cent of people live in overcrowded conditions which is also causing widespread social problems, such as juvenile crime across the Kimberley, the lack of public housing and affordable rentals means women and children fleeing domestic violence have few options and often end up back living with perpetrators and that the Halls Creek Shire has long warned governments the town needs financial assistance to develop land and build more low-cost housing, given there's little financial incentive for commercial developers.

NATSIHA does not believe that these are isolated incidents and it has much more evidence of lived experience that demonstrates that overcrowding, and poor maintenance of housing extends beyond remote communities into regional and urban communities also. Having regard to the lived experience of Aboriginal and Torres Strait people, NATSIHA is seriously concerned that a national crisis in Indigenous housing is building again, similar to that in the lead up to the National Indigenous Reform Agreement (NIRA) signed by the Council of Australian Governments (COAG) in 2008.

The failure to renew the funding for COAG's National Agreement on Remote Indigenous Housing, associated with the NIRA, despite an independent review recommending it continue, is contributing to this growing crisis. However, of most concern to NATSIHA is the Commonwealth deciding without any engagement with Aboriginal and Torres Strait Islander leaders to no longer take the lead for policy and funding of Indigenous housing which it assumed soon after the 1967 referendum. Instead, since 2018, its policy position has been that Indigenous housing is a State/Territory responsibility and that each jurisdiction has to develop its own policy and funding response.

NATSIHA agrees that the States and Territories have to contribute to policy development and funding to Indigenous housing, as they do for non-Indigenous housing. However, there needs to be a joined up national approach if a crisis is to be averted decided jointly with representatives of Aboriginal and Torres Strait Islander people and for a significant new investment in housing and associated infrastructure to also be made and this can only ever happen through Commonwealth leadership.

The nation's independent infrastructure advisor, Infrastructure Australia, established and funded by the Commonwealth, has recognised the urgency of improving Indigenous housing. At the launch of its latest Infrastructure Priority List in February 2021, it was noted that unmet demand for Aboriginal housing alone is expected to result in an undersupply of more than 12,500 homes by 2031 and that in that context, it was announced that the New South Wales Social Housing Program had been included on the Priority List for 2021 - supporting the existing national initiative for *Remote housing overcrowding and quality* in Infrastructure Australia's 2021 Australian Infrastructure Plan.

Infrastructure Australia also stated at the launch that appropriate housing underpins improved outcomes for Aboriginal and Torres Strait Islander peoples and is a key target for the National Agreement on Closing the Gap.

Aligning solutions with the National Agreement on Closing the Gap as the key platform to address the challenges

The National Agreement on Closing the Gap provides a new policy platform that enables the Commonwealth to re-assert its national leadership role to solve the national problem of Indigenous housing on the basis that all Australian Governments share responsibility. It also enables policy and funding solutions to be devised jointly with the community-controlled sector for housing, which the National Indigenous Reform Agreement, signed in 2008 by Governments only, did not.

NATSIHA is convinced that if the National Agreement is implemented fully in the way intended, the nation can secure significantly better housing outcomes for Aboriginal and Torres Strait Islander people. Coming into effect on 27 July 2020, the National Agreement includes, for the first time, a target for housing — *“to increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing to 88 per cent by 2031. This socio-economic target is to measure progress against outcome 9 of the National Agreement which is for Aboriginal and Torres Strait Islander people to secure appropriate, affordable housing that is aligned with their priorities and needs”*.

The development and inclusion of a target on housing, led by the Commonwealth, is a significant advance. However, so far it has not been able to assist in measuring any progress. That is because, as the Productivity Commission notes in its dashboard to inform reporting on Closing the Gap, there is no new data since the baseline year of 2016 when it was estimated that 78.9 per cent (likely to be an over count) of Aboriginal and Torres Strait Islander people were living in appropriately sized (not overcrowded) housing. It is also unlikely, based on the experience of the first 10 years of Closing the Gap, which has a saga of targets not being on track to be achieved, that a target on its own for housing will achieve the needed change. Instead, like the Coalition of Peaks, NATSIHA is strongly of the view that it is the effective implementation of the four priority reforms in the National Agreement, not targets, which will drive the necessary change.

Effective implementation means a joined up national approach led by the Commonwealth based on shared decision making. That is the purpose of partnership actions in the National Agreement and they include agreement to priority socio-economic outcomes for the development of policy partnerships and sector strengthening plans. Housing is one of those priority outcomes and NATSIHA strongly asserts that the intention is that jurisdictions not be left to their own devices to develop individual responses to priority outcomes. If they are, the result, having regard to history and the COVID-19 pandemic, will be that the distinct and complex housing needs of Aboriginal and Torres Strait Islander people will not be met and meanwhile building a strong community-controlled sector will not be achieved because the economies of scale will be absent.

Just as the Commonwealth has led the response to health, also a priority outcome in the National Agreement and a responsibility shared by the Commonwealth and States, it must also lead on Indigenous housing including setting up a similar policy framework, and programs built around a strong community-controlled sector built on a national basis.

This is the intention of the priority reforms and it is vital that the Commonwealth act now to put in place the foundations for their effective implementation with respect to housing if we are to avoid another national crisis.

Budget Priorities – Additional Information

- 1. Funding of \$500,000 per annum for 4 years for the Commonwealth to establish a housing policy partnership under Priority Reform One of the National Agreement on Closing the Gap to develop a National Aboriginal and Torres Strait Islander Housing Plan under the National Agreement on Closing the Gap negotiated and agreed to by the community-controlled housing sector and Australian Governments*

In the same way a Justice Policy partnership has been established by the Joint Council on Closing the Gap, led by the Commonwealth's Attorney-General's Department, a housing policy partnership has to be fast tracked by the Joint Council, to be led by the Commonwealth Department of Social Services. NATSIHA proposes that it is established at the first meeting of the Joint Council this year in July 2022.

The policy partnership should bring together representatives from the Coalition of Peaks, Aboriginal and Torres Strait Islander experts, and Australian, state and territory governments. The overall purpose should be to take a joined-up approach to Aboriginal and Torres Strait Islander housing policy and programs with a view to closing the gap on outcomes including achieving the housing target. It should also be underpinned by a signed agreement pursuant to Priority Reform One of the National Agreement that sets out the scope of the partnership as well as the roles and responsibilities of members.

The most important objective of the Housing Policy Partnership should be to develop and negotiate a National Aboriginal and Torres Strait Islander Housing Plan under the National Agreement on Closing the Gap. That Plan should be modelled on the new National Aboriginal and Torres Strait Islander Health Plan, support the core principle of self-determination and its expression through the community-controlled sector, set clear targets and provide clarity on the roles and mechanisms to be deployed by various levels of Government with key elements to include:

- Measures to maximise delivery of housing by the community-controlled sector
- Robust procurement and workforce development arrangements that achieve maximum economic outcomes for Aboriginal and Torres Strait Islander peoples
- Strengthening remote housing using the community-controlled sector and a new focus on regional and urban housing including leveraging the National Housing Finance and Investment Corporation (NHFIC) and Indigenous Business Australia (IBA);

- Establishing mechanisms, built on the success of community-control, to connect the national Indigenous estate with a new national Indigenous housing pool; and
- Significant increase in funding for transitional housing programs delivered by the community-controlled sector that support families into affordable housing including home ownership.

NATSIHA proposes that the funding is included in the budget of the Department of Social Services which has the policy lead for housing in the Commonwealth and that it be used to establish a secretariat for the Housing Policy Partnership and to meet the costs of the participation of the community-controlled sector in the development of the Plan.

2. *Funding of \$2,477,350 per annum for 4 years to refresh the Aboriginal and Torres Strait Islander community housing sector under Priority Reform Two of the National Agreement on Closing the Gap*

The Joint Council on Closing the Gap agreed at its meeting on 17 November 2020 that the two priority areas for investment in the housing sector were:

- (1) enabling sector peak bodies to build the capacity and capability of the sectors to deliver services and provide policy development leadership in partnership with governments, and
- (2) engaging across the housing sector on how best to build the sustainability and ongoing capacity of Aboriginal and Torres Strait Islander community-housing providers.

NATSIHA has been in positive negotiations with the National Indigenous Australians Indigenous Agency over the course of 2021 to secure a grant from the Virtual Funding Pool established to support the development of the Community Controlled Sector for its establishment and operations. Funding has yet to be approved but NATSIHA is hopeful that an investment will be made starting in 2021-22 that will cover establishment costs this financial year and operational costs, currently projected to be \$1,977,350 per annum over the following two years. It is envisaged that a longer term commitment over 4 years will sustain NATSIHA as a national Indigenous housing leadership body modelled on similar best practice leadership organisations such as NACCHO.

There is also a need for a new investment to build the capability and capacity of Aboriginal and Torres Strait Islander Community Housing Organisations which NATSIHA estimates number about 400 across Australia and, in some cases, were established by the Commonwealth. The Aboriginal community-controlled sector for housing, originally established by the Commonwealth, hasn't been supported by successive Australian Governments since the abolition of the former Aboriginal and Torres Strait Islander Commission in 2005. Instead, the Commonwealth, post 2005 and until 2018, favoured investment in State and Territory housing agencies to deliver public housing through government owned and managed authorities to our people.

The Commonwealth itself admitted that the investment in State and Territory housing agencies had not produced sufficient outcomes when it didn't renew the National Partnership Agreement on Remote Indigenous Housing. Meanwhile, NATSIHA considers that the way forward is to invest in the housing community-controlled sector which will produce significantly better social, health and economic outcomes working collaboratively with other community controlled sectors, particularly health. The best way to do this is to invest in NATSIHA to take responsibility for building the capability of organisations to be accredited.

The Commonwealth stands to gain significantly from this modest investment. NATSIHA provides an Indigenous voice on housing which it can engage with in policy and program development. It also provides a vehicle for more community-controlled providers to be registered under the National Regulatory Scheme for Community Housing which was initiated by the Commonwealth and will result in a well governed, well managed and viable Indigenous community housing sector. Meanwhile, we anticipate more contributions from State and Territory governments, the majority of whom are already moving to fund state and territory peak bodies and increase their investment in capability building for the sector.

3. *Funding of \$500,000 in 2022-23 to transform the National Housing Finance and Investment Corporation (NHFIC) to respond to the housing needs of Aboriginal and Torres Strait Islander people under Priority Reform Three of the National Agreement*

The National Housing Finance and Investment Corporation (NHFIC), established by the Australian Government in 2018, supports investment in social and affordable housing by lowering the cost of finance for community housing providers. NHFIC has had some success in doing this but the need for more affordable housing is projected to be far more than has been able to be built through this useful intervention.

In that regard, NATSIHA is aware of the calls from the mainstream community housing sector, particularly the Community Housing Industry Association (CHIA) and National Shelter to leverage off NHFIC to secure much better affordable housing outcomes. In particular, NATSIHA participated in the Constellation Project with these organisations to develop a proposal for a Housing Boost Aggregator to supplement the Affordable Housing Bond Aggregator (AHBA) to enable more finance to be made available to the community housing sector.

This is a critical initiative for the Aboriginal and Torres Strait Islander community-controlled sector and particularly in urban and regional locations. As it is, none have been able to engage with the AHBA so far and they are not likely to be able to into the future because they simply do not have the resources or capacity to meet the concessional loan requirements. The Commonwealth must act to change this and in particular the Minister needs to include in NHFIC's mandate the priority to be afforded to supporting the Aboriginal and Torres Strait Islander community-controlled sector.

At the same time, NHFIC needs to be resourced to develop a business case with Indigenous Business Australia and other Commonwealth agencies that will lead to an Indigenous Housing Boost Aggregator. IBA should be able to provide supplementary finance to make

this viable and NATSIHA proposes that NHFIC is resourced to develop a business case and take a new policy proposal to Cabinet to commence in 2023-24.

In the meantime, NATSIHA also supports the calls from the mainstream community housing sector for the Commonwealth to establish a Housing Department that incorporates NHFIC and that will enable the Commonwealth to re-establish its leadership on housing including for Aboriginal and Torres Strait Islander people.

4. *Funding an ongoing system of \$500,000 per annum through a National Indigenous Housing Data and Information Partnership, for collecting and using information and data on the need, supply and condition of housing and associated infrastructure under Priority Reform Four of the National Agreement.*

Apart from the absence of a joined up national approach and genuine shared decision making with the Aboriginal and Torres Strait Islander community housing sector, the other missing element needed for success is comprehensive data and information to support evidence-based decision making and influence.

Importantly, this is not just about data and information being collected by the Commonwealth. It is also essential that data is shared with the community-controlled sector and that it develops the capacity to use it to support their own housing development. That is the intention of Priority Reform Four.

Data collection is primarily a responsibility of the Commonwealth that originates in its constitutional obligation to conduct a national census every five years. This is also confirmed in the COAG National Housing and Homelessness Agreement.

To that extent, NATSIHA does not consider that the data and information is anywhere near sufficient, and an effort similar to that made by the former Aboriginal and Torres Strait Islander Commission is needed when it commissioned the ABS to undertake a Community Housing and Infrastructure Needs Survey (CHINS). Importantly, CHINS not only collected specific data about housing and associated infrastructure in Aboriginal and Torres Strait Islander communities but it also collected information about Indigenous Community Housing Organisations (ICCHOs) which were funded to own and manage community housing. That opened up access to data and information that could be used to develop appropriate strategies on a regional and community basis including maximising the performance of ICCHOs.

If we are to meet the challenge of Indigenous housing, it is vital that the collection and use of data is formalised through establishing a data and information sharing partnership between NATSIHA, the Commonwealth (including NHFIC) and State and Territory Governments to guide the improved collection, access, management and use of data to inform shared decision making on housing and involving:

Funding for ABS/AIHW to do a comprehensive enumeration of housing and organisations in the lead up to each Census, based on the original Community Housing and Infrastructure Needs Survey (CHINS); and

Funding for NATSIHA to establish and operate a data unit to assist it, State and Territory peaks and Aboriginal and Torres Strait Islander Housing Organisations in making evidence based decisions with respect to policy, program development and service delivery.

It is envisaged that the annual funding will be shared between NATSIHA and ABS/AIHW to achieve the partnership.

Budget Summary

| No | Priorities | 2022-23 | Year 2 | Year 3 | Year 4 | Total |
|----|---------------------------------|-----------|-----------|-----------|-----------|-------------|
| 1 | Housing Policy Partnership | 500,000 | 500,000 | 500,000 | 500,000 | \$2,000,000 |
| 2 | Refresh Sector | 2,477,350 | 2,477,350 | 2,477,350 | 2,477,350 | \$9,909,400 |
| 3 | Transform NHFIC | 500,000 | - | - | - | \$500,000 |
| 4 | Data development and management | 500,000 | 500,000 | 500,000 | 500,000 | \$2,000,000 |

References

Australian Bureau of Statistics (2020) Aboriginal and Torres Strait Islander Health Performance Framework - summary report (<https://indigenoushpf.gov.au/report-overview/overview/executive-summary>)

Australian Institute of Health and Welfare 2019, Aboriginal and Torres Strait Islander People: A Focus Report on Housing and Homelessness (<https://www.aihw.gov.au/reports/housing-assistance/indigenous-people-focus-housing-homelessness/contents/at-a-glance>)

Australian Institute of Health and Welfare (2021) Indigenous Housing Snapshot (<https://www.aihw.gov.au/reports/australias-welfare/indigenous-housing>)

Infrastructure Australia (26 February 2021) Launch of the Infrastructure Priority List February 2021 (<https://www.infrastructureaustralia.gov.au/listing/speech/launch-infrastructure-priority-list-february-2021>)

Productivity Commission (2021) National Housing and Homelessness Agreement Review Issues paper (<https://www.pc.gov.au/inquiries/current/housing-homelessness/issues/housing-homelessness-issues.pdf>)

Contacts for more information

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