



New South Wales Department of
Aboriginal Affairs

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Our Ref: 09/PP/0711

The Hon Ian West MLC
Chair
Standing Committee on Social Issues
Parliament House,
Macquarie Street
SYDNEY NSW 2000

Dear Chairperson

I refer to the Standing Committee on Social Issues Inquiry into Homelessness and Low Cost Rental Accommodation in NSW held on Wednesday 8 April 2009.

A number of questions on notice were taken from this hearing. Please find attached the responses to those questions.

Yours sincerely

Jody Broun
Director General

7 May 2009

**Standing Committee on Social Issues Inquiry into Homelessness and Low-Cost
Rental Accommodation – 8 April 2009**

Question 1

What is the current shortfall in supply and demand for public/social housing for Aboriginal people in NSW?

The Aboriginal population in New South Wales is expected to increase to over 170,000 in 2011¹.

As a result, the demand for low-cost rental housing will also increase. The whole of government response to the Committee indicated a shortfall of 4,270 dwellings in June 2008 which is expected to increase to 4,830 dwellings by 2011², with the majority of this unmet need in urban and regional locations.

Funding expected to be received by NSW under the Nation Building Economic Stimulus Plan, is expected to provide for about 6,000 new social housing dwellings in NSW. This significant growth in the stock of social housing in NSW will enhance the Government's capacity to respond to demand for housing assistance.

Question 2

What changes, improvements, can be seen in the provision of low-cost rental housing and the number of homeless Aboriginal people across NSW as a result of Two Ways Together – the NSW Government's Aboriginal Affairs Plan (2003-2012)?

Housing and Infrastructure is one of the seven priority areas identified under *Two Ways Together*.

Both the NSW Government's State Plan and *Two Ways Together*, the NSW Government's Aboriginal Affairs Plan, recognise the interrelationship between access to quality housing and improvements in other areas of wellbeing.

The two yearly public reporting mandated under *Two Ways Together*, is an invaluable tool in ensuring greater transparency in the delivery of services to Aboriginal people.

¹ Khalidi N., 2009: Indigenous population projections based on the revised ABS estimates (November 2008) of the Indigenous population life expectancy. See also Indicative NSW Indigenous population projections 2006 to 2021, NSW Aboriginal Housing Office, Sydney, 2008

The report provides key data against each of the seven priority areas. Housing data relating to reliance on public housing, homelessness and overcrowding are all captured. There has, at this stage, only been two reports prepared. As such, it is not possible to identify with any certainty trends relating to the provision of low cost rental housing.

As a result of *Two Ways Together* reporting requirements, there has been an improvement in the quality of reporting. There is also greater consistency in reporting so that the NSW Government is now able to better identify regional issues which improves the ability to respond effectively. For example, while previously agencies reported according to a range of differing administrative boundaries, there is now consistency in boundaries. Additionally these improvements mean that agencies are better able to identify the linkages between policy responses.

The *Two Ways Together* Coordinating Committee, which is the senior officials committee which oversees the implementation of *Two Ways Together*, has participation from key government agencies as well as Aboriginal peak bodies. The Committee plays a key role in ensuring that peak bodies have a say in the development and implementation of initiatives developed under *Two Ways Together*. In the current environment, where significant change is being implemented through the Council of Australian Governments (COAG) process, the Coordinating Committee is a valuable forum for government and peaks to come together and agree on approaches to ensure that COAG investment is maximised to meet the needs of Aboriginal people in NSW.

Through *Two Ways Together*, Regional Engagement Groups were established which bring together regional, State and Commonwealth Government representatives and representatives from local communities. These groups, co-chaired by Department of Aboriginal Affairs' Regional Managers, identify regional priorities and responses in Regional Action Plans. For example, where the Hunter Regional Engagement Group identified housing as a regional priority, that group is now in the midst of detailed analysis of the extent and location of housing need in the region as the basis for developing targeted responses.

² NSW Aboriginal Housing Office, *New South Wales Aboriginal social housing dwelling needs gap 2006 to*

At the local level, the Department is now implementing the *Two Ways Together* Partnership Community Program which will provide communities with support to work effectively in partnership with government to identify and implement strategies to meet local priorities.

Aboriginal Communities Development Program

Under *Two Ways Together* there have been a range of programs implemented which support the provision of accessible and healthy housing to Aboriginal people. The Aboriginal Communities Development Program (ACDP) is a \$240 million program that is run by the NSW Government to repair houses that pose a health or safety risk and to address environmental health issues. The program also targets the high level of identified need in housing, water and sewerage and general community strengthening and development.

The program is also intended to:

- Ensure community consultation, involvement and self-determination through the establishment of Community Working Parties (CWP) where required;
- Provide sustainable solutions that are appropriate and affordable for community well being;
- Target a number of selected communities, rather than a wide scale program across the State;
- Provide opportunities for progressive community development;
- Focus on skill's development in property management, land management and the management of building and maintenance works; and
- Include a training and employment strategy within communities to enhance sustainability and self governance.

To the end of January 2009, the following had been achieved for the program across NSW:

○ New Houses:	173
○ Replacement Houses	61

○ Spot Purchased	91
○ Refurbishments	698
○ Emergency Works	321

A crucial component of the program is the employment and training of more than 200 Aboriginal apprentices.

Water and Sewerage

In 2008, the Government committed to investing in a program which will maintain and monitor the water and sewerage systems in discrete Aboriginal communities. This equates to spending around \$190 million over 25 years.

This program is a partnership between the NSW State Government and the NSW Aboriginal Land Council which has made a commitment to provide half of the service delivery costs associated with the operation, maintenance and monitoring of water and sewerage systems.

Housing for Health

Through *Two Ways Together*, additional funding was also provided to support both the *Housing for Health* program and the *Aboriginal Communities Development Program*.

The *Housing for Health* program looks at the way that substandard housing in Aboriginal communities has a direct link with poor health and tackles the causes.

Through this program the NSW Government has seen:

- A tenfold increase in electrically safe houses (which reduces injuries and saves assets);
- A fivefold increase in fire safety in houses (which reduces injuries and saves assets);
- A threefold increase in ability to wash people, particularly children (which reduces infections);
- A sevenfold increase in ability to wash clothes/bedding (which reduces infections);

- A doubling of satisfactory waste removal – such as a working toilet (which reduces infections); and
- A sixfold increase in ability to store, prepare and cook food (improving nutrition).

The results of *Housing for Health* have been dramatic for communities.

In local government areas exposed to *Housing for Health* projects between 2000/01 and 2002/3:

- Admissions for acute respiratory infections in children decreased by 44%;
- Admission rates for acute respiratory infections in adults decreased by 43%; and
- Admission rates for skin infections among children decreased by 21%.

Support for Justice Related Initiatives

Additionally, through *Two Ways Together*, support was provided for a number of initiatives aimed at supporting people who have come into contact with the justice system including *Rekindling the Spirit* in Lismore. This type of support is essential in providing culturally appropriate support to those who have an increased risk of becoming homeless.

The visibility of *Two Ways Together* combined with the partnerships established through the range of governance structures established in the plan and the recognition that a strong Aboriginal voice at the centre of decision making has been central to the success of a range of programs identified throughout the whole of government response.

Question 3

Many Aboriginal people prefer to live together in a community; sometimes this results in pockets of disadvantage. What do you suggest can be done to address this issue while respecting the preferences of the Aboriginal community?

Frequently, because of the economic situation of many community members, many Aboriginal communities are situated where people can afford to live. As highlighted in the whole of government report only 9% of rental properties were affordable for low income earners. With the exception of Redfern and La Perouse, which are based on

community owned land, Aboriginal communities in Sydney are established where the living is least expensive, in the outer outskirts. While Aboriginal people suffer particular disadvantage, many people in those locations suffer disadvantage. As such it is the nature of the location rather than the fact of having an Aboriginal community, which underpins the localised disadvantage.

While relocation is sometimes necessary to redistribute pockets of disadvantage, consideration should first be given to looking at options for building on the strengths of the community and identify ways that the service delivery system can be better tailored to meet community needs.

Place based responses can be implemented to respond to the impacts of localised disadvantage. Underpinning these responses needs to be the development of localised governance arrangements to ensure that these communities, which are often marginalised, have a voice and are supported in developing responses appropriate to meet their needs.

There are a range of service responses that can be implemented to meet the particular needs of the community. While these will need to be tailored to meet community needs, responses may include the following considerations:

- It is necessary to ensure that there is a service mix in the location so that the services on offer meet the needs of the community. In the case of Aboriginal communities there needs to be consideration of younger demographic patterns which may require additional child services and support for young parents;
- Community sessions could be held so that people are aware of support and services available in the area. These could be supported by supplementary communication material;
- A review of the way that services are delivered could be undertaken to promote maximum access by those who require them. This may include taking services to community centres or in the case of Aboriginal service provision, providing support to the Aboriginal controlled service system; and

- A lack of training and employment opportunities is a key cause of pockets of disadvantage. Identification and investment in both training and employment opportunities and ongoing support for people to make the most of these opportunities should be a key strategy in addressing locational disadvantage. This could be done by either new investment or targeting existing investment. Currently all projects in NSW of \$2.5 million or more are required to comply with NSW Government Training Management Guidelines. These require that on building or engineering projects, 20% of the trade work involved in the contract is to be undertaken by apprentices. This target is to be reached by 25% of the way through the contract awarded and maintained until the project is 90% complete.

We are also looking at delivering on training and employment outcomes for Aboriginal communities in keeping with the current NSW Government's Aboriginal Participation in Construction guidelines. These guidelines support and encourage more employment and business opportunities for Aboriginal people on NSW Government construction projects by setting three levels of engagement for the Aboriginal communities related to the impact of the project on those communities. Projects with a high engagement requirement are generally construction projects in Aboriginal communities, moderate engagement is for projects where the Aboriginal community is one of the key user groups or project stakeholder. Low engagement is reserved for projects that have the potential to benefit the Aboriginal community. Housing NSW intends applying these guidelines to Nation Building and Jobs Plan projects as well as its core construction and maintenance program.

The Aboriginal community in New South Wales is spread across urban, suburban, rural and remote areas of the State. The relatively greater numbers of Aboriginal people living in urban areas of NSW, compared to most of the other States and Territories, suggests the greatest numbers of opportunities that might be sustained in the longer term will be in urban

areas. However, the Aboriginal Participation in Construction guidelines will apply in all locations.

A key feature of both the maintenance and new construction contracts is the focus on training and opportunities for apprenticeships. The NSW Government gives particular emphasis to supporting Aboriginal apprenticeships and seeks to give effect to this through its contracts with the private development and construction sector.

Question 4

Do you think it is possible to provide sufficient low-cost rental accommodation without creating 'pockets of disadvantage'? If so:

a. What specific needs should be taken into account when providing public/social housing for Aboriginal communities?

See response to Question 3.

Question 5

What do you regard as the biggest barriers to:

- a. growth in the number of low-costs rental accommodation properties;***
- b. the speed of delivery of new low-cost rental properties;***
- c. How can these be addressed?***

The development and delivery of low cost rental accommodation properties does not fall within the Aboriginal affairs portfolio but the Department can make some broad observations.

Housing construction in regional and remote NSW is a key element of the Aboriginal Communities Development Program. Supporting Aboriginal employment in the construction industry is a central component of the program. While this has had significant benefit in terms of improving training and employment opportunities for Aboriginal people, it has resulted in buildings being constructed at a rate slower than anticipated. The slower rate of construction was due primarily to capacity issues in the Aboriginal construction companies. The delay in construction however was outweighed by the broader benefits to Aboriginal people.

The current investment in housing construction provides significant opportunities for Aboriginal people. In NSW there is the Aboriginal Participation Construction Guidelines.

The Guidelines were developed to expand Aboriginal people's participation in NSW Government funded construction and related activities. They also support the role of the construction industry to enhance Aboriginal employment.

Under State Plan priority F1, the Guidelines are being used to target 15 construction projects over the next year which will include mandatory Aboriginal employment outcomes as a tender requirement. Already over 15 projects have been identified and work has started, including the construction of the Nowra Correctional Facility and refurbishment of Bowraville School.

While the Department recognises the immediate pressing need to increase levels of affordable housing, these need to be delivered within a context whereby the opportunities associated with the government investment are maximised.

Question 6

How has the current climate affected the social housing market for Aboriginal people, both on the side of demand and supply?

While the current financial situation is having an impact across all levels of society, those impacted most are frequently the most disadvantaged. Aboriginal people certainly fall within that category. The whole of government response paints a picture of increased housing costs and increased demand for social housing.

While it is not possible to provide supporting data, the Department would expect that the current situation will have seen increased unemployment in Aboriginal communities. As a result there will be an increase in people not being able to pay rent, defaulting on payments and seeking additional support from government or extended family. In these situations it is common for people to stay with other family members, increasing instances of overcrowding and pressure on families.

Question 7

The United Kingdom is working towards a fixed rental system where all tenants pay the same rental regardless of income and housing associations are paid a subsidy to make up the shortfall. How do you think a similar system would work for Aboriginal people? What do you see as the pros and cons of such an arrangement?

Housing NSW will provide advice to the Committee on the potential of the proposed United Kingdom system and will provide advice to the Committee.

Question 8

Outline what you would like government, federal, state and local, to do to assist the growth of social housing in NSW.

There is already significant investment underway through the COAG process focussed at improving the level and quality of social housing. In terms of Aboriginal housing, the focus has been primarily on remote housing. Increased focus at the COAG level on the housing needs of regional and urban Aboriginal communities would be of significant benefit.

The NSW Government submission to the Committee cites the 39.5% increase of the Aboriginal community in Tamworth between 1996 and 2001 as an example of high population growth rates in regional centres which are facing increasing need for social housing. The younger demography of the Aboriginal community and the larger family size means that the housing needs for Aboriginal people are different from the broader population which is both ageing and made up of smaller family units. This points to the need of a greater level of consideration as to how to meet these increased housing needs of Aboriginal communities. Bilateral discussions would seem to be the venue for this to occur.

Ensuring that Aboriginal people play a central role in developing and delivering responses to housing need also needs to be strengthened. Ongoing strengthening of the Aboriginal controlled housing sector needs to play a role in this.

Question 9

What role do you think local government should play in the provision of low-cost accommodation? What could the NSW Government do to assist local governments in working with providers and managers of low-cost rental accommodation?

The role that local government can make in the provision of low cost accommodation will depend on the nature of the local government considering that the capacity of local governments varies dramatically across the State.

Local government can assist in the provision of social housing through using their local knowledge to identifying land that can be utilised specifically for the development of social housing.

Local government can also assist by providing office space free of charge or through peppercorn rent arrangements to providers of community housing.

Local government can be the main player in communities. They have a key role in supporting all sectors of the community to have a voice in what services are required and how these services can be delivered. As such, there is significant potential for local governments to empower communities to identify specific housing requirements and then to work with service providers to develop strategies for ensuring that these requirements are met. They can also play an ongoing role in ensuring strong linkages between the service providers and the local community to ensure that services remain relevant and responsive.

There is also capacity for local government to assist community housing providers through their ratings systems by understanding the issues faced by community housing providers and developing a collaborative approach to rates payment plans.