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**THE SENATE**

**PROOF**

**STRATEGIC INDIGENOUS HOUSING  
AND INFRASTRUCTURE PROGRAM**

**SPEECH**

**Thursday, 13 August 2009**

BY AUTHORITY OF THE SENATE

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## SPEECH

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**Speaker** Furner, Sen Mark

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**Senator FURNER** (Queensland) (4.49 pm)—It is always pleasing to follow Senator Adams, particularly on a subject such as this motion of Senator Scullion's on Indigenous housing. Both Senator Adams and I, and I am sure other members of the Senate Standing Committee on Community Affairs, are quite familiar with the needs of Indigenous communities, having travelled into those areas. From memory, I think it was 1974 when I first visited the Northern Territory and had my first exposure to Indigenous communities. In October last year, as a member of the Senate Community Affairs Committee, I attended an inquiry into petrol sniffing in Indigenous communities in the Red Centre and throughout the south of the Northern Territory. In March of this year I attended, with other members of the committee, hearings at Yulara in the Territory and other Indigenous communities in the follow-up to that inquiry. From memory, in addition to the Community Affairs Committee members in attendance was none other than Senator Scullion. He was representing the committee that he is responsible for and cooperating in sharing its interest in that inquiry. I am sure that, as a Northern Territory senator, Senator Scullion would be well versed in the Territory on this subject.

The national apology delivered by the Prime Minister in February of last year was directed towards building a bridge of respect and acted as a powerful healing symbol. This was a necessary first step in making amends for past wrongs. Housing is just one of the important measures that this government, in partnership with governments like that of the Northern Territory, is involved in. SIHIP is the Strategic Indigenous Housing and Infrastructure Program and is the largest-scale Indigenous housing program ever undertaken. As the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, has stated very clearly in recent weeks, the program will deliver 750 new homes, 230 rebuilds and 2,500 refurbishments of homes in remote Northern Territory communities by the end of 2013.

SIHIP is a new way of delivering housing in remote communities. It is much larger in scale than previous Indigenous housing programs and the alliance approach avoids separate individual procurement processes, with their attendant risks and delays, and encourages innovation and efficiencies in the costs and delivery of remote Indigenous housing. The program

will also deliver sustainable employment and training outcomes for Indigenous people in remote parts of the Northern Territory, with a key focus on a target of 20 per cent of the total workforce across the life of the program.

It is worth looking at timelines, because it is important to put where things are heading in perspective. We have heard a lot of talk here in the chamber today about this government dragging the chain, not delivering and acting indecisively. That is far from the truth. I think it was Senator Scullion who indicated that the program announced in April 2008 was due to commence in October 2008. Between April and October last year the Northern Territory government completed a major tender process to select the alliance consortia of companies that will deliver these works. It was essential that this process was done properly. This is a five-year program delivering over half a billion dollars worth of capital works, and government needed to ensure that the best possible companies were engaged for this work.

Governments also worked with communities in areas such as the Tiwi Islands, Groote Eylandt and Tennant Creek to secure land tenure arrangements to underpin this significant investment. Since their appointment in October 2008 the alliance partners have been working with communities to deliver these works. Over the wet season a detailed scope of works was completed for the first three SIHIP packages in Tennant Creek, the Tiwi Islands and Groote Eylandt, including the necessary community consultation. Work on repairing existing houses began in the Tiwi Islands, Groote Eylandt and Tennant Creek at the start of the 2009 dry season. Work on the construction of the first new houses has started at Groote Eylandt, and construction of new houses will start at Nguuiu later this month.

On the Tiwi housing numbers, Senator Scullion also said that the promise of 90 new houses at Nguuiu had been revised down to 25 houses. I can assure the people of Nguuiu that both the Australian and Northern Territory governments are totally committed to providing them with 90 new homes under this program. There are 29 homes being delivered under the first stage of SIHIP and a further 61 homes will be built over the life of the program. These 90 homes are additional to the 25 homes the Australian government

has already built at Nguiu as part of its undertakings around the 99-year head lease.

The issue of no new homes being built at Tennant Creek needs to be challenged. It has been stated that there have been no new houses built in the Tennant Creek townships under SIHIP. In fact, Julalikari Council Aboriginal Corporation and town camp residents have been very clear that upgrades of existing houses and proper essential service infrastructure is their first priority, and government has listened to them. All of the existing houses in the town camps in Tennant Creek will be refurbished to as-new condition and, as Tennant Creek residents have sought, the town camp areas will be revamped to the same standard as other suburbs of the town. While the investment has been focused on upgrades, as requested, at least two new houses will be provided as part of the initial work in Tennant Creek.

On the overall subject of their being no new houses built in the Territory since the Rudd government was elected, can I say this will be the largest amount of housing works ever delivered across remote communities in the Northern Territory. Both governments and the alliance partners are committed to making that happen. Both the Australian and Northern Territory governments understand that implementing a new program with over twice the amount of funding that has previously been allocated for Indigenous housing in the Northern Territory has to be done properly. That is why we continued to build houses in remote communities in the Northern Territory while the SIHIP program was being developed, the tenders were being let and the scoping of the first packages of work was being done. Despite what Senator Scullion claims, since November 2007 over 90 homes have been constructed in the Northern Territory using funds from the Australian government's and the Northern Territory government's Indigenous housing programs. Now that SIHIP is underway, the number of houses that will be built will increase dramatically to achieve its target of 750 new houses by the end of 2013. Senior Australian government officials are working in Darwin to ensure everything possible is being done to achieve this objective.

The Australian and Territory governments have each appointed a senior official to work with the SIHIP team to make sure housing construction, rebuilds and upgrades are delivered as quickly as possible. They are going through the program line by line and will make any improvements that are required. Having this level of flexibility is one of the reasons the government is using an alliance approach with SIHIP. In just a few weeks an update will be provided to the Australian and Northern Territory governments on the performance of the program. This will ensure

that the governments' housing priorities are addressed as a matter of urgency. The costs of administering the Strategic Indigenous Housing and Infrastructure Program are currently tracking at 11.4 per cent, and we are looking to reduce this further.

We cannot keep making the mistakes of the past. Old housing models have not served Indigenous interests. Over the decades, many millions of dollars have been poured into housing and the outcomes have been simply abysmal—run-down, overcrowded houses where no one has clear responsibility for looking after the house, for paying or collecting rent or for doing necessary repairs and upgrades. We are fundamentally shifting the delivery of housing in remote Indigenous communities to achieve broader policy outcomes like rebuilding social norms and creating Indigenous jobs. We are pleased that the housing upgrades that are part of the first three SIHIP packages on the Tiwi Islands, Groote Eylandt and Tennant Creek town camps began in May as scheduled. The upgrades involved the total refit of what are often uninhabitable homes and will efficiently deliver new houses at half the cost. Construction of new housing has recently started on Groote Eylandt and will start soon on the Tiwi Islands.

I will give a bit of background on this package. The total funding for the Strategic Indigenous Housing and Infrastructure Program is \$672 million, comprising \$572 from the Australian government and \$100 million from the Northern Territory government. An announcement of \$793 million of Indigenous housing funding was made in September 2007 by the previous government, following the signing of an MOU with the Northern Territory government. Of these funds, \$527 million was for the delivery of capital works, later known as SIHIP. Increases in funding after this announcement brought the Australian government commitment up to \$572 million. The Northern Territory government contributed \$100 million. This program will see the construction of around 750 new houses, 230 rebuilds of existing houses and 2,500 upgrades by the end of 2013. The Strategic Indigenous Housing and Infrastructure Program will provide capital works in 73 targeted communities and a number of urban living areas.

We have been through the timeline. Between the September 2007 signing of the MOU and April 2008 the Territory government reviewed the strategic alliance contracting methodology, in light of the increase in funding available; the Australian and Northern Territory governments worked together to develop the funding allocations and identified the 16 high-needs communities; lease negotiations progressed for Tennant Creek and Groote Eylandt; and the Northern Territory government established a design library and commenced work on SIHIP

design guidelines. Between May and November 2008, a comprehensive procurement process was undertaken to select alliance partners for the delivery of SIHIP. The successful alliance partners were announced in October 2008. They were: New Future Alliance, Territory Alliance and Earth Connect Alliance.

This initiative presents a wonderful opportunity to create real and sustainable jobs in remote Indigenous communities. The program underpins the government's commitment to closing the gap between Indigenous and non-Indigenous Australians. It is an example of the type of practical, on-the-ground measures which will improve health and safety in Indigenous communities.

Northern Territory Chief Minister Paul Henderson said this was the Territory's largest ever remote housing program. He said:

Overcrowding and disrepair of houses in remote communities is rife, contributing to significant health and education problems. We must improve housing standards if we are to close the gap on Indigenous disadvantage.

This is a new era of delivering housing in the bush.

For the first time, government, industry and communities will work in partnership to ensure that benefits are delivered where they're needed the most.

Importantly, the jobs and training offered through the program will open the door to future job and economic opportunities for Indigenous Territorians in remote areas.

The Northern Territory government will deliver the program and the Australian government will provide support in the development stages to establish the program. Security of tenure will be a key element in allocating this funding. Communities receiving capital works under this program will need to enter into a lease for a period of time appropriate to the life of the capital works being funded.

In respect of the National Partnership Agreement on Remote Indigenous Housing, COAG has committed \$1.94 billion over 10 years, commencing this year, to reform housing and infrastructure arrangements in remote Indigenous communities. This will address significant overcrowding and homelessness, poor housing conditions and severe housing shortages in remote Indigenous communities. Improving housing conditions will provide the foundation for lasting improvements in health, education and employment and make a major contribution towards closing the gap in Indigenous disadvantage.

This will bring a total investment of up to \$5.48 billion over 10 years, allowing for the construction of up to 4,200 new houses in remote Indigenous communities; upgrades and repairs to

around 4,800 houses in remote communities, with a program of major repairs and improved tenancy management services; increased local training and employment opportunities in construction and housing management, providing up to 2,000 new jobs; and access to affordable accommodation options in regional centres to support employment, education, training opportunities and access to support services in regional areas of high employment. This investment will support up to 9,000 families in accessing safe and healthy housing.

Reflecting back on the apology given in this parliament on 13 February 2008, this government's approach in part to Indigenous policy is:

Addressing Indigenous disadvantage is a national responsibility that will require the energy and commitment of all Australians. Working with all parts of the Australian community, the Government is determined to drive real improvements, focused on outcomes and guided by evidence. Central to the Government's strategy is a new partnership with Indigenous Australians, based on mutual respect, mutual resolve and mutual responsibility.

On the important area of housing, COAG's commitment of \$1.94 billion over the next 10 years brings funding allocations to \$5.48 billion, which will be fundamental to improving outcomes for Indigenous Australians living in remote communities. Quite clearly the assistance provided through the SIHIP by both the federal Rudd government and the Northern Territory government are addressing Indigenous members of our communities in this country.

I have dug up some contemporary information, because there has been a lot of talk about what has not been happening. If you go to the Northern Territory government's web page, you can see contemporary information about what is happening out there in these communities now, putting aside all the folly and the comments that have been made that no houses are being built and nothing is happening out in those communities. That is just not true. A media comment dated 31 July this year indicates that the keys for newly refurbished homes on Groote Eylandt have been handed to families. Also, Earth Connect Alliance General Manager Andrew Schroth said that refurbishment works on 18 houses are underway right now. Mr Schroth said the refurbishment program was currently two weeks ahead of schedule. So they are on track; they are actually two weeks ahead. They are well ahead of schedule in making sure they deliver on their promises, and that is what we are doing as a government along with the Northern Territory government.

He went on to say that this is because of good planning, supervision and skilful work by the

mostly local workforce. He said they are focused on employing local Indigenous workers not only to build the homes but also to develop skills that they can use throughout their lives. He said, 'We want to give local people skills and opportunities to help them plan for long-term working lives within their own community—not just for this program.' That is real-life information about what is happening on the ground in the Northern Territory.

The Minister for Housing in the Northern Territory, Rob Knight, has indicated:

\$672 million has been committed over the 5 year program to construct 750 new houses, 230 rebuilds of existing houses and 2500 upgrades ...

This is all readily available contemporary information on what is happening in the Territory. There is no smoke and mirrors; this is live information that people can download from the internet. Rob Knight went on to say:

The Australian and Territory Governments are determined to address the appalling living conditions in remote Indigenous communities.

... ..

The Territory Government is committed to getting this program right and delivering 750 new homes. We cannot repeat the failings of the past.

It is important that people reflect on what is happening in their communities and what the contemporary situation is on this subject. Around 166,000 of the 700 million households in Australia are Indigenous households, which is a very low proportion of the total number of households, but something that this government is acting upon.

Senator Scullion's motion is nothing but a cheap political stunt, which follows his comments on ABC news yesterday that not a single house has been built in the Northern Territory in 18 months. That is pure folly from a desperate senator from an out-of-touch opposition. (*Time expired*)