



Aboriginal Peak Organisations

NORTHERN TERRITORY

**APO NT Submission to the
Senate Standing Committee on Community Affairs
September 2023
Inquiry into the worsening rental crisis in Australia**

We welcome the opportunity to provide a submission to the Senate Standing Committee in relation to this critical inquiry into the worsening rental crisis in Australia. The eight members of Aboriginal Peak Organisations of the Northern Territory (APO NT) continue to advocate for the rights of Indigenous peoples, specifically for Aboriginal and Torres Strait Islander people in the Northern Territory of Australia.

Recommendations

1. That the Northern Territory Government repeal the current remote rent framework and commit to designing a new remote rent framework model in partnership with key stakeholder organisations and communities in the spirit of the National Agreement on Closing the Gap and in consideration of income, need, and circumstance/context.
2. That both the Australian and Northern Territory Government sustain efforts through a central policy objective of a new national partnership agreement on remote housing and homelands, which requires investment in building the capacity of the Aboriginal housing sector and workforce, with a slow and steady approach.
3. That the Australian Government increase income support payments to alleviate deepening poverty in remote communities including:
 - i. Permanently and adequately increasing Jobseeker and all other income support payments to keep people out of poverty.
 - ii. Increase in the Remote Area Allowance (RAA) to appropriately account for the higher cost of living of remote regions of the Northern Territory, and
 - iii. Ongoing indexation of all payments (including the RAA) in line with wage movements at least twice a year.

Introduction

Aboriginal Peak Organisations Northern Territory (APO NT) is an alliance of Aboriginal organisations working to promote and protect the rights of Aboriginal people living in the Northern Territory (NT). The APO NT alliance comprises the Central Land Council (CLC), Northern Land Council (NLC), Tiwi Land Council (TLC), Anindilyakwa Land Council (ALC), North Australian Aboriginal Justice Agency (NAAJA), Northern Territory Indigenous Business Network (NTIBN), Aboriginal Housing Northern Territory (AHNT) and the Aboriginal Medical Services Alliance of the NT (AMSANT). The member organisations of APO NT are united in their commitment to improving the outcomes of Aboriginal people across broad political, economic, social, and cultural conditions. Since APO NT's establishment in 2010, our members have been working to develop constructive policies on critical issues facing Aboriginal people in the NT and strive to influence the work of the Australian and NT Governments.

Underlining our collective work is the right to self-determination, which is expressed in the United Nations Declaration of the Rights of Indigenous People. As representatives from peak organisations in the NT, we share the aim of protecting and advancing the wellbeing and rights of Aboriginal people and communities in several key areas. Local involvement, ownership and control underpins APO NT's work in advocating for practical and sustainable solutions for Aboriginal people. These are then predicated on policy settings that support Aboriginal self-determination, including commitments to needs-based funding, building the community-controlled sector and centring Aboriginal decision-making to inform the implementation of national strategies at the local level.

These matters are particularly essential when considering the impact of housing for Aboriginal people in the NT. Many Aboriginal and Torres Strait Islander people are faced with social and economic obstacles to secure housing, due to historical experiences and the lasting impacts of colonisation, experiencing low levels of home ownership, and difficulty securing rental housing due to generally lower incomes, racism, and discrimination. As a result, Aboriginal and Torres Strait Islander people are over-represented in social housing and experience high levels of overcrowding and homelessness, and we urgently need an approach to make real change.

Aboriginal Housing NT Aboriginal Corporation (AHNT) was formed as an outcome of the 2015 Aboriginal Housing Forum hosted by APO NT. Since then, it has been active with the strong support of Aboriginal organisations, their boards, community leaders and elders. The establishment of AHNT was a strong signal that Aboriginal leaders want to regain control over housing development and management in their communities. The further development of AHNT will enable a cooperative, collaborative process with government to see this realised. AHNT currently represents sixteen Aboriginal Community Controlled Housing Organisations, as a representative voice for Aboriginal people in the NT and for Aboriginal people to regain control over housing in their Communities, Homelands, Outstations, Town Camps, and Urban Areas.

Aboriginal Housing Northern Territory (AHNT)

At 1,347,791 km², the Northern Territory is Australia's third largest jurisdiction by landmass. Its population is widely dispersed: almost 50% of Territorians live outside the Greater Darwin region across four regional towns, 73 remote communities and more than 500 homelands and outstations.

AHNT member organisations represent around 47,811 Aboriginal people, equivalent of 41.7 % of the Northern Territory's (NT) population in the electorate of Lingiari, and around 9,752 Aboriginal people, equivalent of 8.5% of the Territory's population in the electorate of Solomon.

AHNT represents and advocates for Aboriginal Community Controlled Housing Organisations (ACCHOs) across the Northern Territory (NT). AHNT advocates strongly for the return of control of housing development and management to Aboriginal people, their organisations and their communities.

AHNT is the peak body for Aboriginal Community Controlled Housing Sector (the Sector) - including homelands and town camps service providers. AHNT works closely with both the Northern Territory (NT) and Australian governments, land councils, and other key partners to provide advocacy for the Sector who currently provide housing and housing-related services to around 10,000 Aboriginal Territorians currently living in around 2,426 dwellings in 394 homelands, and 43 town camps and community living areas and urban regional centres across the NT.

AHNT current membership includes:

- Anindilyakwa Housing Aboriginal Corporation
- Arnhem Land Progress Association (ALPA)
- Bawinanga Aboriginal Corporation
- Community Housing Central Australia
- Demed Aboriginal Corporation
- Ingkerreke Services Aboriginal Corporation
- Julalikari Council Aboriginal Corporation
- Kalano Community Association
- Laynhapuy Homelands Resource Aboriginal Corporation
- Mabunji Aboriginal Resource Indigenous Corporation
- Ngaliwurru-Wuli Aboriginal Corporation
- Ngurratjuta/Pmara Ntjarra Aboriginal Corporation
- Tangentyere Council Aboriginal Corporation
- Urapuntja Aboriginal Corporation
- Yapa-Kurlangu Ngurrara Aboriginal Corporation
- Yilli Rreung Housing Aboriginal Corporation

The Central Land Council (CLC) and Northern Land Council (NLC) are Associate Members.

Renting in the NT – the experiences of Aboriginal people

The rental crisis is disproportionately impacting Aboriginal and Torres Strait Islander people in the NT. Most Aboriginal and Torres Strait Islander households in the NT are renters – 60.2 per cent compared to the national rental rate of 31 per cent. Only 16.1 per cent of Aboriginal and Torres Strait Islander households are own their own homes – compare to 66% of all Australian households.¹

Of the Aboriginal and Torres Strait Islander households that rent, 35.4 per cent do so through the Northern Territory Government’s public housing system, 13.0 per cent rent through a community housing provider, and 11.8% rent through a real estate agent.

For residents of remote communities, housing is managed by the Northern Territory Government. This change occurred following the NT Emergency Response (the Intervention). Prior to 2007, Aboriginal Community Housing Organisations, 75% of which were run through local Aboriginal community councils. This supported Aboriginal decision making, training and employment, but ended abruptly in 2007 with the transfer of responsibility for remote housing to the Northern Territory Government.

The shift to a public housing system was intended to improve living standards, reduce overcrowding and ‘normalise’ housing tenancy arrangements, but more than 15 years on, there has been limited benefit on the ground. The change has diminished community-control, removed real jobs in housing and housing management, and has largely failed to deliver better outcomes in terms of the quantity and quality of housing and the provision of timely and adequate repairs and maintenance.

Housing as a key social determinant of health

Housing is a key social determinant of health, underpinning other life outcomes. Aboriginal people in the NT experience the highest rates of overcrowding, deepest rates of poverty and highest rates of joblessness in the country.² Poor housing conditions and housing insecurity continue to impact negatively on health and wellbeing outcomes for Aboriginal people.³

Rising rents and rental affordability

The NT Government has recently introduced a new Remote Rent Framework. This framework has changed the approach to remote rent charging for public housing tenants in remote communities and Tennant Creek Community Living Areas (CLAs), moving from an income-based system to charge of \$70 per bedroom.

¹ <https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/housing-statistics-aboriginal-and-torres-strait-islander-peoples/2021>

² <https://www.pc.gov.au/closing-the-gap-data/dashboard>

³ <https://www.indigenousmhspc.gov.au/getattachment/739db7dd-30c7-453f-ac0e-b8c6ed8f56a1/allen-clarke-2022-housing-homelessness.pdf?v=1225>

These residents, whose incomes are among the lowest in the country, are now the only public housing tenants in Australia whose rent is not calculated based on income. At a time when remote residents are experiencing unprecedented escalation of already extremely high cost of living, the NT Government's modelling shows that the framework has increased rents of about two thirds of tenants.⁴

The NTG has included a 'Safety Net' as part of the new framework, which allows tenants to apply for a cap on their rent at 25 per cent of household income. The NT Government says it has automatically applied the Safety Net for six months to households where rent would exceed 25 per cent of household income, with housing staff to work with tenants to determine ongoing eligibility.⁵ After this period, the safety net will not automatically apply. Tenants can apply for the Safety Net (for 12 months at a time), and will have to initiate these applications themselves, applying online or via Housing officers.⁶

However, data provided to date does not provide assurance that the Safety Net has been applied to everyone who is eligible and the application process is likely to be a barrier to access.

APO NT has stated, on 23 September 2022, their [opposition to the implementation of the new Remote Rent Framework](#). APO NT has urged the Northern Territory Government to repeal the policy and commit to designing a new remote rent framework model in partnership with key stakeholder organisations and communities in the spirit of the National Agreement on Closing the Gap and in consideration of income, need, and circumstance/context. The Remote Rent Framework will further disadvantage remote Aboriginal families and remote households who are already experiencing some of the highest costs of living nationally. Aboriginal families in remote communities are already being forced to pay inconceivably high prices for basic goods, essential groceries, fuel and standard day to day items.

AHNT have raised sustained and deep concerns on behalf of the Northern Territory's Aboriginal Community-Controlled Housing Sector (Sector), via written correspondence on 15 December 2022, to the Honourable Selena Uibo, Minister for Housing and Homelands, Renewables and Energy, Essential Services, Aboriginal Affairs, and Treaty and Local Decision Making (Attachment A). Within this correspondence, AHNT acknowledged the paper published by the nation's leading Aboriginal economic policy academics at Centre for Aboriginal Economic Policy Research (CAEPR) titled, '*Simplifying the system or deepening poverty? The new Remote Rent Framework in the NT*' (Attachment A). The nation's leading Aboriginal economic policy academics at CAEPR joined the national chorus urging the NT Government to pull back from implementing an ill-conceived public policy that will almost exclusively discriminate against Aboriginal people. Especially at a time of significant upward inflationary pressure in the national economy, and where the cost of living is skyrocketing.

⁴ Department of Territory Families, Housing and Communities (DTFHC). (2021a). Rental Rebate: Policy, version 5.02. Northern Territory Government.

⁵ Department of Territory Families, Housing and Communities, Remote Framework Safety Net Policy, 6 February 2023 ([link](#))

⁶ Department of Territory Families, Housing and Communities, Remote Framework Safety Net Policy, 6 February 2023 ([link](#))

Research and modelling undertaken by CAEPR at ANU demonstrates that:

“[R]edistributing funds from remote community residents to the (NTG) housing authority will transfer the cost of supplying housing away from the fiscally constrained Northern Territory Government and onto impoverished Aboriginal citizens. The abolition of income-based rent setting in remote public housing alone is arguably a form of indirect discrimination and is out of step with current Commonwealth Government moves to terminate a swathe of programs that discriminate against Indigenous residents of remote communities.”⁷

AHNT are concerned by the research and modelling shown by CAEPR, whereby “some households are likely to be exceptionally hard-hit by an increase of up to 33% of their total income. This substantial increase in rents will deepen poverty experienced by this household, whose pre-housing income is already well below the poverty line.”⁸

As noted above, the Northern Territory Government’s own advice is that 68 per cent of remote Aboriginal households may experience a rent increase of up to 40 per cent under the proposed new framework. Given the poverty levels experienced by many households in remote communities, it is unrealistic to expect that households will be able to pay the increased rent. More households are likely to find themselves in debt due to rent arrears. Without any modelling to show otherwise, the proposed Remote Rent Framework will put Aboriginal people in remote communities at increased risk of financial stress and entrenched poverty at a time when the cost of living in remote Australia is reaching unthinkably high prices for basic essential items while the nation’s economy continues in a high inflationary trajectory.

The Remote Rent Framework in its current form is racially discriminatory in effect because tenants from remote communities ... where the vast majority of people are Aboriginal, will not be eligible for a rental rebate. The proposed remote rent framework will increase the vulnerability of head tenants as they will be legally responsible for a household’s entire rent regardless of household occupancy and composition. Many head tenants are already vulnerable based on gender, age, health and disability.

The NT Government’s Remote Rent Framework will exacerbate the already disproportionately high numbers of rough sleepers and people experiencing homelessness in Darwin, Alice Springs, Katherine and Tennant Creek as people in remote communities, who are unable to pay increased rent, are effectively forced into seeking alternative accommodation in urban centres.

AHNT has previously called for a moratorium to allow for a new model to be designed in partnership with all key stakeholders, rather than being unilaterally foisted upon the most vulnerable demographic in Australia, untested and without considered and extensive modelling.

⁷ Markham, F. & Klerck, M. (2022), Simplifying the system or deepening poverty? The new Remote Rent Framework in the Northern Territory (Topical Issue No. 3/2022), Centre for Aboriginal Economic Policy Research, Australian National University, p.iii. <https://doi.org/10.25911/YWW2-3J38>

⁸ Ibid, p.4.

Data

Despite assurances from the NT Government that the increases in rent rates will not have a detrimental impact on Aboriginal people’s cost of living and that the increase is moderate, the data that has been provided shows an increase of the proposed amounts translates as a substantial increase in rent. An increase in rent of these amounts which will result in families having to choose between buying essential groceries or paying the rent. Anecdotally, people have fed-back to service providers and Land Councils that they would seek to move to Alice Springs, Darwin and the regional towns seeking a more affordable cost of living. This in turn places upward pressure on already over-extended services and housing in the towns and regional centres.

Critical analysis of the data provided by TFHC shows that while the change in rent rates for a standard 25 per cent of household income for one and two bedroom dwellings is perhaps manageable, the increase to three and four bedroom dwellings (which are the majority dwelling-type across the Lingiari electorate) is staggering, especially when considered in the context of the current inconceivably high cost of living in remote NT communities where people continue to struggle with day to day essential items (refer Figure 1 below).

Figure 1. Rent rate changes under the new NT Remote Rent Framework

Type	% Total Houses	% Rent Change
1 Bedroom	2%	-34%
2 Bedroom	20%	+3%
3 Bedroom	57%	+34%
4 Bedroom	21%	+66%

Figure 2. Comparing maximum rent for houses in remote communities – previous public housing model (income-based) vs new Remote Rent Framework (room-based)

Type of house	Weekly rent for 1 bedroom	Weekly rent for 2 bedrooms	Weekly rent for 3 bedrooms	Weekly rent for 4 bedrooms
Current framework				
New house	\$150	\$175	\$230	\$250
Refurbished house	\$120	\$140	\$184	\$200
New framework				
House	\$70	\$140	\$210	\$280

AHNT released a statement on 30 January 2023 discussing that rent hikes in remote communities will put more pressure on Alice Springs and increase the number of people in town without a safe place to sleep. According to current figures from NT Shelter, the Northern Territory has the highest homelessness rates in the nation at 563.6 per 10,000 people, of which 20% is made up of Aboriginal people. Alice Springs has the third highest homeless population in the country with 2,576 people, behind East Arnhem with 2,920 people, Daly-Tiwi-West Arnhem with 2,778 people, followed by Katherine with 2,342 people. Currently, 81% of people defined as homeless in the NT live in severely crowded dwellings. With figures of homelessness and overcrowding already the highest in the nation, AHNT fears these figures will worsen, if reform measures are not undertaken to reduce the cost per room under the Remote Rent Framework.

The NT Government has not undertaken any modelling on its impacts, nor articulated how to prevent and safeguard against future governments from raising the rent further on some of the most vulnerable Australian citizens. The NT has become the only jurisdiction in Australia with a room-based rent model as opposed to an income-based model. There is a reason why all other jurisdictions have not implemented a room-based model – it is inequitable and places increased rent-stress on those who can least afford it. That the NT Government has not done any modelling of the impacts of the new Remote Rent Framework in conjunction with the current cost of living in the NT is deeply concerning.

Under the previous framework, the maximum rent for houses in remote communities distinguished between new and refurbished houses. The maximum rate for a 4 bedroom plus dwelling for a new house was \$250 and \$200 for a refurbished house. We note that:

- a. the new Remote Rent Framework does not make a similar distinction between new and refurbished houses which is concerning given that our experience is that refurbished houses are more likely to be in a general state of disrepair than newly built houses;
- b. the implementation of the fixed flat rate will have the greatest impact on 3 and 4 bedroom plus dwellings, particularly refurbished houses;
- c. specifically, these changes will increase the rent charged for a newly built 4 bedroom (or more) dwelling by 12%, by 14% for a 3 bedroom refurbished dwelling, and by 40% for a 4 bedroom (or more) refurbished dwelling. A rent increase of 40% is astronomical and is not be considered reasonable under any circumstances. Further, it does not align with Closing The Gap target #9.

We also note that a safety net might apply (depending on a case-by-case basis) if the rent becomes over 25% of the household income. By comparison, the maximum rebated rent a tenant in an urban centre can be charged is 25%, regardless of their circumstances. Given that the vast majority of people living in public housing houses in remote communities are Aboriginal, we consider that this differential treatment is racially discriminatory in effect.

We are further concerned that these increases in rent will have a significant practical impact on the standard of living and level of poverty of people living in remote communities.

This is because, as the Senate Community Affairs References Committee’s report on the ‘Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia’ dated April 2020 (**Report**) highlighted:

- a. the unemployment rate, poverty rate and reliance on income support payments are higher in remote, rural, and regional areas than in metropolitan areas⁹;
- b. people living in remote Australia experience unique challenges in addition to a lack of affordable housing, including the lack of jobs, higher cost of living, difficulty in accessing services due to travel distances and transport costs and the cost of maintaining a car, which is so critical in remote areas because of the lack of public transport¹⁰;
- c. the lack of job opportunities, higher costs of living and more limited access to services, means that people living in remote, rural, and regional Australia face additional challenges that are not considered by the current social security system¹¹; and
- d. the Remote Area Allowance as it stands does not mitigate the higher costs of food, fuel, and services in remote and rural Australia. The intent of the allowance is therefore lost because of the inadequate rate of the payments¹².

Considering the above circumstances, the increase in rent for remote houses under the new Remote Rent Framework will have a more significant and negative effect on people living in remote communities than it would on people who do not live in remote areas – predominantly Aboriginal renters.

Safety Net

The ‘Safety Net’ aspect of the Remote Rent Framework will not work like the Rental Rebate and many remote tenants will likely fall through the cracks and not have the Safety Net applied. Many remote tenants are Aboriginal language speakers first and may not know who to speak to, to ask for the safety net to be applied. By comparison, the maximum rebated rent an urban tenant can be charged is 25 per cent under the Rental Rebate Policy, regardless of their circumstances.

Additionally, the Northern Territory’s Aboriginal Community-Controlled Housing Sector remains deeply concerned that the NT Government has not given an adequate explanation of how tenants will be made (and kept) aware of the Safety Net process, let alone be fully supported to make use of it. Many of the residents impacted directly by the Remote Rent Framework are Aboriginal and do not speak English as a first language.

The policy of an application process that requires tenants to complete an online form and presumably provide electronic copies of documentation is a significant concern. Many remote households do not have a functioning internet and/or plan and it is inevitable that people and households will ultimately be missed in the NT Government’s ability to monitor household’s income across the vast Northern Territory and highly likely that people will end up paying more than they should.

⁹ [Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia \(aph.gov.au\)](#) paragraph 6.92.

¹⁰ Ibid, paragraph 6.96.

¹¹ Ibid paragraph 6.109.

¹² Ibid paragraph 6.111.

Questions remain around the Northern Territory Government's approach to the 25 per cent safety net application:

- a. **Pre-assessment for rent stress:** What is the Department of Territory Families, Housing and Communities (TFHC) process for pre-assessing people for rent stress? What are the indicators which may trigger whether a household is at risk of experiencing rent stress? What steps will Housing take if a household is identified as at risk of rent stress? Will the safety net be applied automatically?
- b. **Request for safety net to be applied:** If TFHC does not intend on pre-assessing people for rent stress, will the onus be on individual tenants to apply for the safety net? If so, what is the process for applying for the safety net? What information will tenants need to provide? If the tenants are to apply themselves, how long will it take for applications to be considered?

Given that the tenants who will require the safety net will necessarily already be in severe financial stress (and will likely have experienced the departure of one or more rent-contributing occupants from the household), we are concerned that a convoluted application process and/or delays in implementing the safety net once an application is made will undermine the goals of the scheme. Tenants will always choose to use their limited resources to feed their families before paying their rent. Unless the safety net is applied almost immediately after a rent-contributing occupant departs a household, this policy will not be able to arrest a significant build-up of rental arrears.

- c. **Circumstances in which the safety net will be applied:** TFHC had previously stated that the safety net will be applied on a case-by-case basis. Rent above 25% of a household income is *always* going to create financial stress and we note that the maximum rebated rent in urban areas is 25% of household income, so on that basis, when wouldn't the safety net apply? We consider there should be a presumption that the safety net applies in all circumstances.
- d. **Communication of this safety net to tenants:** How will this application process be communicated to tenants? We suggest that Housing work with organisations such as NAAJA and/or Aboriginal Housing NT to ensure that the application process for the safety net is: (i) designed to be as simple as possible for tenants to access; and (ii) communicated effectively.

There will be no uptake in applying for the safety net if tenants are told they can call TFHC when more than 25% of their income is going towards rent. It is imperative that this reform is conveyed to residents of remote communities in a language that makes sense to them.

- e. **Backdating safety net applications:** If there is a lack of clarity around this process, tenants may not know or understand how to put in a request for the safety net. Will TFHC backdate safety net applications to the date when the safety net could have been applied (i.e., the date the rent payable became over 25% of the total household income)?
- f. **Temporary measure:** What will TFHC's process be for determining whether a household is no longer eligible for the 25% safety net? What steps will TFHC take if a household is deemed no longer eligible for the safety net? Will the safety net be removed automatically? How will this removal be communicated to tenants?

We consider that without appropriate communication and education through Aboriginal languages to tenants around any new proposed reforms will not be effective. It is not enough to call a phone number that is out of service or to send a text to someone who speaks English as a third or fourth language. This is particularly concerning given that not everyone, especially those in remote locations, has access to a working phone or has reliable telecommunication coverage.

Cost of Living

On Tuesday 13 December, the Northern Territory Council of Social Service (NTCOSS) released media advising that the NTCOSS Cost of Living Report December update shows that the highest inflation in Australia in more than 30 years is making the cost of housing, fuel and even food unaffordable for many Territorians (**Attachment B**).

The NT was the third most expensive jurisdiction to rent a three-bedroom house in fiscal 2022, both by overall price – behind NSW and the ACT - and proportion of average household income required.

Petrol prices across the NT are extremely high and most expensive in remote areas. Unleaded petrol was an average 239.4 cents/L in Alice Springs in October while **the price of diesel has nearly doubled in regional NT** (excluding Darwin) from 135.8 cents/L in October 2017 to **263.5 cents/L** in October 2022.

Overall transport costs over five years, including car loan payments, registration and licencing, servicing, public transport, and roadside assistance are up 27% in Darwin and 34% in Alice Springs, **more than double the rate of inflation**. The average cost of a healthy food basket in remote stores in Aboriginal communities has continued to rise and was **52% higher** than in a district supermarket last year.

The reality for Aboriginal Australians living in remote households is that, when all household costs are considered (groceries, clothes for the kids, education, health requirements, car rego, fuel, etc) – and in a high inflationary environment such as the nation is currently experiencing, remote households are going to experience unthinkably high upward pressure on their overall household expenses.

High Rates of Power Disconnections in Remote Communities and Town Camps

The Sector has highlighted with the NT Government the very high rates of power disconnection across remote communities and town camps. Rates of power disconnection are a powerful metric for understanding household financial stress, that is, people usually only have the power cut off if they can't afford to pay their electricity bill. The issue of power disconnection is particularly bad across the Lingiari electorate where the weather moves between extreme heat during summer and cold winters. In Central Australia, the prepayment meters disconnect in 91 per cent of houses with prepayment meters, this is slightly more than one time per week for an average of approximately seven hours per connection. The rates of disconnection are higher particularly for three, four and four+ bedroom households where the median rents will increase under the Remote Rent Framework – these are the predominant dwelling-type across the Lingiari electorate.

Dwelling Condition and Maintenance

In addition, the Sector has raised its ongoing concerns around the condition of dwellings that will see an increase in rent. Many dwellings across NT communities and town camps are in very poor condition due to the age of the housing stock, over-crowding and poor cyclical maintenance and will potentially have a rent rate increase visited upon them is another example of the inequity of the NT Remote Rent Framework.

The need for remote housing investment

The rental crisis in the NT has existed for years.

The Department of Territory Families, Housing and Communities has previously stated that the increased rent will generate an extra \$9.7 million in revenue which will “address the unmet cost of remote housing service delivery (\$4.7 million) and provide an additional \$5 million for a greater number of remote tenancy officers and repairs and maintenance capacity.”

Maintenance and repairs are existing obligations that are currently unmet. Taking the Fact Sheet at face value, if \$4.7 million is for the unmet cost of housing service delivery, then it appears that the \$5 million is going towards administration, which should already be budgeted for. On the face of the Fact Sheet, it appears that this increase is just to repair the overall state of the budget.

If the new model's aim is to increase revenue, then to ensure that there is a sustainable remote housing model, our organisations consider that the increase in revenue should solely go to the carrying out of yearly cyclical maintenance. We consider this to be the most cost-effective way to conduct maintenance.

Aboriginal tenants in remote communities and town camps continue to suffer from insufficient and poorly maintained housing.

AHNT welcomes investment under the most recent National Partnership Agreement on Remote Housing NT (NPRHNT) that saw investment of \$1.1 billion from NT and Commonwealth in new builds.

Despite this welcome investment, overcrowding has only gone down 3.4 per cent over the life of the agreement. This means, at the current rate of investment, it will take 40 years to close the gap in housing in the NT. The continuation of Federal investment in remote housing in the NT is of paramount importance.

Noting that the current agreement is due to expire next year (30 June 2024), it is clear we need significant and sustained investment to address the worsening housing and rental crisis for Aboriginal people in the NT.

Alongside a commitment to sustained, increased investment in remote housing, we need commitment from both the NT and Federal Government to a gradual transition from the public housing system to an Aboriginal community-controlled community housing system. It is positive to see this commitment in the NT's Community Housing Growth Strategy, the NT Closing the Gap Implementation Plan and through the Joint Steering Committee of the current National Partnership Agreement on Remote Housing NT.

This must be continued as a central policy objective of a new national partnership agreement on remote housing and homelands, and requires investment in building the capacity of the Aboriginal housing sector and workforce, with a slow and steady approach.

Federal policy settings

Acknowledging that the focus of this inquiry is the experience of renters, it is important to note the extent to which the low level of income support payments exacerbates the financial strain experienced by public housing tenants in the NT. AHNT echoes calls across the country to permanently and adequately raise the rate of Jobseeker and other income support payments.

The Remote Area Allowance (RAA) also requires attention. The RAA was introduced in 1984 as a measure to help alleviate the higher cost of living pressures on people living in remote areas who are receiving income support (such as age and disability support pensioners and recipients of parenting payments and what is now the Jobseeker allowance). However, the payment hasn't increased in more than 20 years – despite the fact that prices have continued to grow faster than the Consumer Price Index in remote NT communities.

As income support payments are predominately received by Aboriginal people this has disadvantaged them most, while predominately non-Indigenous people working in remote areas have seen significant economic advantage through fringe benefit tax concessions that have grown with the increased cost of living. The RAA no longer ensures equitable support for families living in remote areas on income support payments.

Summary

The ongoing issues and unanswered questions with the NT Remote Rent Framework, the increase in rent rates and the fact that Aboriginal Australians in the NT will overwhelmingly be negatively impacted when these households are the least who can afford it – and in the midst of a national housing crisis.

The NT Government has not done any modelling on its impacts, nor articulated how to prevent and safeguard against future governments from raising the rent further. The NT is now the only jurisdiction in Australia with a room-based rent model as opposed to an income-based model. There is a reason why all other jurisdictions have not implemented a room-based model – it is inequitable and will place increased rent-stress on those who can least afford it.

Public housing policy reform must never disadvantage remote Aboriginal tenants. The NT Government's Remote Rent Framework further disadvantages remote Aboriginal families and remote households who are already experiencing some of the highest costs of living nationally. Aboriginal families in remote communities are already being forced to pay inconceivably high prices for basic goods, essential groceries, fuel and standard day to day items are now forced to pay higher rents than any other public housing tenant in any state or territory.

All people in the Northern Territory should have access to safe, healthy and affordable public housing, regardless of their location and a public housing rental model that does not further impoverish nor diminish the well-being of those families.