

NSWALC Position Statement on Home Ownership for Aboriginal People

(June 2019)

As the peak body representing Aboriginal peoples in NSW, the New South Wales Aboriginal Land Council (NSWALC) is developing new strategies to improve economic, social and cultural outcomes for Aboriginal people.

NSWALC is committed to undertaking activities to promote economic independence and prosperity for Aboriginal people, ensuring that Aboriginal people have access to a fair share of the NSW economy, now and into the future.

NSWALC Position on Home Ownership

NSWALC strongly supports home ownership for Aboriginal people and will be working to expand the number and range of home ownership options available.

Home ownership is a key platform for social change, well-being, resilience and wealth creation.

In 2016, 42% of Aboriginal households in NSW owned or were purchasing their home, compared with 65% of non-Aboriginal Households¹. Whilst the percentage of Aboriginal households achieving home ownership is gradually increasing, there is still a significant gap between Aboriginal home ownership and that of the broader population. This gap in home ownership is symptomatic of the widespread disadvantage suffered by many Aboriginal people.

Access to secure and affordable housing is an important way to address disadvantage and provide opportunities for Aboriginal people, with the ultimate housing security being achieved through home ownership. There is a need to address barriers so that Aboriginal people are able to progress along the housing pathway like all other Australians, accessing various forms of secure tenure with the ultimate goal of home ownership for those who desire it.

State and Federal Government initiatives, including “Closing the Gap” programs focused on addressing the causes of this disadvantage have, to date, been largely ineffective, and it is obvious that far more needs to be done.

As well as undertaking new activities that will support improved levels of home ownership, NSWALC will continue to advocate with State and Federal Governments (and other key stakeholders/institutions) to deliver improved housing and home ownership outcomes for Aboriginal people.

What activities will NSWALC undertake to improve Aboriginal Home Ownership in NSW?

Goal 3 of NSWALC’s Strategic Plan 2018-2022 aims to grow economic prosperity for Aboriginal people through:

- Increased capability for Aboriginal people and Local Aboriginal Land Councils (LALCs) to undertake or be part of business ventures and generate employment opportunities
- Development by NSWALC of new capabilities in employment and training, land development and construction, and Aboriginal housing.

Economic prosperity will improve opportunities for Aboriginal people right across the housing spectrum. In addition, NSWALC will focus directly on home ownership through a number of activities.

1. NSWALC Aboriginal Home Ownership Project:

NSWALC is undertaking an Aboriginal Home Ownership Project which focuses on using existing research and knowledge to develop suitable options for increasing home ownership participation rates.

¹ NSW Bureau of statistics (2017) 2016 Census of population and housing. ATSI peoples profile catalogue # 2002.0

The Project will consider potentially viable home ownership models, including those based on:

- Community Land Trusts
- Shared Equity Schemes
- Rent to Buy Schemes.

NSWALC is engaging independent expertise in banking, finance and housing, to build on and apply existing research to pilot one or more practical home ownership solutions that deliver on NSWALC's strategic goals, and increase rates of home ownership for Aboriginal people.

The Aboriginal Home Ownership Project will consider recommended options for home ownership suited to the LALC network and Aboriginal people in NSW.

2. NSWALC development of a land development and construction capability

Under the NSWALC Strategic Plan 2018-2022, NSWALC is diversifying its business activities to include property development and construction. This forms part of NSWALC's goal to create opportunities to grow economic prosperity and independence for Aboriginal people and for LALCs.

NSW is experiencing high deficits in social and affordable housing supply for Aboriginal households (10,855 & 13,506 dwellings respectively²). These deficits are projected to increase by 62% by 2031.

NSWALC is mindful that many LALCs have significant land holdings that they may wish to use for construction of much needed housing and that may be suitable for residential subdivision. It is NSWALC's intention to work together with motivated LALCs to support the development of LALC owned land, including residential housing accommodation projects that might form part of future home ownership programs.

By establishing 'in house' development and construction capabilities, NSWALC aims to provide high quality, cost effective property development services specifically tailored for LALCs.

3. NSWALC Housing Ltd

NSWALC Housing Ltd has been established to spearhead efforts to increase the portfolio of available housing for Aboriginal people and to improve the management of existing housing stock.

NSWALC considers that the transfer of Aboriginal Housing Office (AHO) housing stock into the management of the Aboriginal housing sector must be expedited with the strategic objective of having all AHO owned homes managed by Aboriginal Community Housing Providers at the earliest possible time. As a new large-scale Aboriginal provider, NSWALC intends to participate in this transfer, contributing to the improved management of existing stock, and the construction of new social and affordable homes crucial to addressing the growing housing need of our communities.

Increases in the number of homes available to the Aboriginal community, and improved management of housing stock, will help support home ownership schemes by increasing access to secure and affordable housing as Aboriginal people travel along the pathway towards home ownership.

4. Principles for future home ownership programs & initiatives

There are a number of underlying principles that need to be followed for any proposed future home ownership schemes or initiatives. These important considerations include, but are not limited to:

- How best to design culturally appropriate home ownership schemes suitable for differing LALC locations and markets
- Fairness and equity, and how to administer schemes in a transparent manner
- Financial viability and long term sustainability of any proposed scheme
- Resources required for ongoing administration and operation of the scheme
- Financial, legal and tax advice relating to any proposed scheme.

² October 2017 AHURI report - How can Aboriginal Housing in NSW & AHO provide the best opportunity for Aboriginal People

NSWALC has a strong commitment to Aboriginal Home Ownership and is currently working on multiple activities to support increased home ownership participation rates.

There is much to be done, and as these activities and initiatives continue, NSWALC will provide regular updates to the Network to keep everyone informed of our progress.

For queries in relation to this Position Statement please contact nswalcenterprises@alc.org.au.