



Implementation of Australian Remote Indigenous Accommodation (ARIA) Programme

PORTFOLIO: FAMILIES, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS

Why is this important?

- The Australian Government will implement a significant strategy of major reforms to help fix the Indigenous housing problem particularly in remote Australia.
- Adequate housing is essential for decent health, education, employment and community safety outcomes.
- Many Indigenous Australians, particularly in remote Australia, suffer from unacceptable levels of substandard housing, overcrowding and homelessness.
- Despite spending many billions of dollars through ATSIC's Community Housing and Infrastructure Programme (CHIP), little progress has been made.
- The recently released ABS Community Housing and Infrastructure Needs Survey (2001–06) showed that despite spending well over \$1 billion in the last five years:
 - Indigenous housing stock increased only marginally (by 471 or 2 per cent) to 21,758
 - the proportion of the housing stock needing major repairs increased from 19 per cent to 23 per cent.
- The survey adds weight to the findings of the review of the old ATSIC CHIP programme undertaken by PricewaterhouseCoopers that showed that the program had failed Indigenous Australians.
- From 2008–09 the CHIP will be abolished and replaced by a new expanded Australian Remote Indigenous Accommodation (ARIA) Programme.
- Additional Australian Government funds will be used to construct new houses and repair and upgrade existing houses in remote locations across Australia.
- ARIA will also provide assistance for Indigenous people to directly purchase new homes or to lease-purchase a home.
- Funding for Indigenous public housing will continue under the Aboriginal Rental Housing Program (ARHP), which is part of the Commonwealth State Housing Agreement. ARHP is currently used by State and Territory Governments for Indigenous housing mainly in urban and regional locations.

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Who will benefit?

- Indigenous Australians, particularly those living in remote locations, will benefit from better housing which will improve health, housing, education and other outcomes.
- The Australian Government will make sure that its investment in housing in remote communities will lead to more opportunities for local Indigenous people to be trained and employed in the construction of new housing and in repair and maintenance.

What funding is the Government committing to the initiative?

- The Government will provide \$293.6 million in new funds in the 2007–08 Budget, over and above the current level of Indigenous housing funding of around \$380 million per year.
- State and Territory Governments will be encouraged to increase their funding commitments.
- Subject to the success of this reform package and the cooperation of State and Territory Governments and local community people the Australian Government will consider increasing expenditure further.
- Australian Government funding for the Aboriginal Rental Housing Programme (ARHP) will continue.

What have we done in the past?

- CHIP and ARHP currently receive government funding of over \$380 million per annum. These funds are channelled through bilateral Indigenous Housing and Infrastructure Agreements between the Commonwealth and States.
- The CHIP Review (2006) found that the 'housing needs of Indigenous Australians in remote areas have not been well served and the interests and expectations of taxpayers not met'. The Review also found that CHIP in its current form contributes to 'confusion, complex administration and poor outcomes and accountability of government funded housing, infrastructure and municipal services.'
- The ATSIC CHIP programme failed Indigenous Australians and has not produced value for money.

When will the initiative conclude?

- This is a seven year strategy commencing in 2007–08.