



# TORRES SHIRE COUNCIL

To lead, provide & facilitate a sustainable, safe and culturally vibrant community

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Commissioner Malcom Roberts  
Housing and Homelessness Agreement  
Australian Government Productivity Commission  
GPO Box 1428  
Canberra ACT 2601

Dear Commissioner Roberts,

Torres Shire Council notes that the Productivity Commission is conducting a review of the current National Housing and Homelessness Agreement and is calling for submissions. Torres Shire Council (Council) contributes the following submission to the enquiry.

This review of the *National Housing and Homelessness Agreement* (NHHA) is one of a series of reviews of the national agreements established under the *Intergovernmental Agreement on Federal Financial Relations* (IGA FFR) (COAG 2008a).<sup>1</sup> The IGA FFR was intended to address two features of Australia's federal system — vertical fiscal imbalance<sup>2</sup> and the overlapping roles and responsibilities of the Australian, and State and Territory Governments in some areas of service delivery.

## Background

The Australian Government provides approximately \$1.6 billion each year (indexed annually from 2019-20) to the States and Territories to improve Australians' access to affordable, safe and sustainable housing across the housing spectrum. This funding includes \$129 million for homelessness services, which State and Territory Governments must match. Funding is conditional on State and Territory Governments having publicly available housing and homelessness strategies and contributing to improved data collection and reporting, amongst other things.

The objective of the NHHA (p. 3) is:

... to contribute to improving access to affordable, safe and sustainable housing across the housing spectrum, including to prevent and address homelessness, and to support social and economic participation.

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<sup>1</sup> The Commission reviewed the *National Disability Agreement* in 2019 and the *National Agreement for Skills and Workforce Development* in 2021.

<sup>2</sup> Vertical fiscal imbalance is where States and Territories have large expenditure responsibilities relative to their revenue raising capacities.

The objective of the Agreement sets the basis for assessing performance and directions for policy change.

## **Discussion**

Torres Shire Council (Council) has consistently pointed to the problems of cost shifting last reviewed by the Commonwealth in the Hawker Review. This cost transfer is well demonstrated in the administration of the NHA.

Despite decades of commitment by the Queensland government to address housing shortage and especially homelessness in our region, as well as overcrowding leading not only to rheumatic heart disease but other adverse health and social outcomes, for the majority of our residents, little has improved.

In our region, there is evidence of social congestion due to the lack of available and affordable housing and cost of living pressures that have given rise to a spike in crime, including family related violence, truancy and youth crime in the region – evidenced in QPS statistics. The measure of overcrowding has been defined as dwellings that need one or more extra bedrooms. The overcrowding figures (and other indices) have been derived from the 2016 Census of Population and Housing data.

In the Torres Shire LGA, 29.0% of households with Aboriginal and/or Torres Strait Islander persons were overcrowded (far in excess of the national figure of between 4-24%) and 5.2% of non-Indigenous households were overcrowded; whereas in Queensland overall 10.5% of households with Aboriginal and/or Torres Strait Islander persons were overcrowded and 2.7% of non-Indigenous households were overcrowded.

These statistics reveal that overcrowding in the Torres Shire is thrice that applying to indigenous Queensland households and twice that applying to non-indigenous Queensland households<sup>3</sup>.

## **Rental accommodation**

The median rent for households with Aboriginal and/or Torres Strait Islander persons in the Torres Shire is \$225 per week. The median rent for non-Indigenous households is \$30 per week due largely to the provision of housing either without rental charge or heavily subsidised as part of either the attraction and retention of expertise or entitlements of government staff. This is not only inequitable but means indigenous households are 13.33% worse off than their non-indigenous neighbours placing further cost of living pressures on Aboriginal and Torres Strait islanders in the Torres Shire region and with no ownership outcomes against these outlays. In Queensland overall the median rent for households with Aboriginal and/or Torres Strait Islander persons is \$270 per week compared to the median rent of \$340 per week for non-Indigenous households, thus underscoring the current disequilibrium in rental cost in our Region.

## **The Way Forward**

The Commonwealth Government's National Partnership Agreement on Remote Indigenous Housing (NPAIH) was replaced by the National Partnership on Remote Housing (NPRH) in 2016. The NPRH ran until 30 June 2018 and directed \$776.403 million for remote housing throughout the NT, QLD, SA and WA. Torres Shire Council calls upon LGAQ to support the Commonwealth Government's continue funding through a NPRH scheme to address both the housing crisis in our Shire and the Torres Strait region. This funding will make real the Federal and Queensland Government's commitment to Closing the Gap a reality.

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<sup>3</sup> Torres Shire Council 10-Point Plan, 2018, 2019, 2020

Further, Council notes that some commentators have suggested that Australia needs a more systematic approach to housing policy and are calling for a national housing strategy (Pawson, Milligan and Yates 2020). Community Housing Industry Australia NSW and Aboriginal Community Housing Industry Association NSW (CHIA NSW and ACHIA NSW 2021, pp. 6–7), for example, recently argued that:

The development of a National Housing Strategy is critical for providing the leadership and coordinated framework for governments at all levels and key delivery partners ... to make effective long-term planning and investment decisions, and ensure that all jurisdictions can deliver enough social and affordable housing for their current and future populations. ... a National Strategy must also respond to entrenched housing affordability issues, including the often narrow and limited housing options for very low, low, and moderate-income households along the housing continuum.

It is Council's view that this national approach ought be supported by LGAQ as it is consistent with local government's long held concern about cost shifting between the Commonwealth and State jurisdictions that was illuminated some decades ago in the Productivity Commission study into local government's own-source revenue, following on from the Report of the House of Representatives Standing Committee on Economics, Finance and Public Administration *Inquiry into Local Government and Cost Shifting (Hawker Report)*, which was released in October 2003 and precisely evinced in the manner in which housing is funded.<sup>4</sup>

To illustrate: Queensland Government development in our Shire has required access to Council's infrastructure, including water, sewerage, roads and general council facilities. This has resulted in almost \$2.2 million in infrastructure charges not being paid yet Council needs to increase infrastructure.

Council provides a reasonable range of community services. Council's revenue base is being put under greater pressure through lack of State or Commonwealth government contribution towards new developments, together with escalating services costs.

Existing State/Commonwealth Government properties ownership is 51.1% of all Council's property assessments. Most of the infrastructure constructed within the Shire is for the state/federal government administration and residential needs and this has a significant impact on services, including water, sewerage, recreational facilities, etc.

State and Federal Governments do not pay rates on vacant land nor headwork fees and charges for all development applications. Council undertook an 8 year study of State and Federal Government properties in the period 2008-2015 that revealed that the total unpaid infrastructure contributions for State and Commonwealth developments on Thursday and Horn Islands equated to approximately \$2.2M. The total unpaid infrastructure contributions for Thursday Island alone equated to \$2.1M. This study also revealed that of all the Queensland Government developments on Thursday Island, approximately 64% were developed for employee housing by:

- Department of Housing and Public Works = 78%
- Queensland Health = 11%
- Ergon Energy = 11%

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<sup>4</sup> As cited in PRODUCTIVITY COMMISSION STUDY INTO LOCAL GOVERNMENT'S OWN-SOURCE REVENUE Australian Local Government Association submission July 2007

The majority (75%) of Commonwealth developments on Thursday Island were for employee housing and the largest developer was the Torres Strait Regional Authority (TSRA).

Since 2014, the Queensland Government averts the payment of relevant development fees and charges by charactering staff housing as community housing. The Queensland Government's departments of Housing and Public Works (HPW) and Government and Employee Housing (GEH) have exempted their developments from development assessment by Council by claiming that government employee housing is public housing. This is neither conscionable nor sustainable for Council. This is a falsehood because this housing is not available to local residents of Torres Shire who are not employees of the Queensland Government or who are Queensland Government employees but do not qualify for housing as part of their jobs; the majority of whom are indigenous employees who are long-term residents.

Since 2014, HPW and GEH were engaged in construction of accommodation for government employees as follows:

#### Thursday island

- 58 Hargrave Street (frontage to Summers Street) – 10 x 2 bed units
- 62-66 Victoria Parade – 16 x 2 bed units and 2 x 3 bed houses
- 56 Victoria Parade – 14 x 1 bed units

#### Horn Island

- 11 Outie Street – 2 x 2 bed duplex
- 11 Savage Street - x 2 bed duplexes
- 18 Miskin Street – 2 x 2 bed duplexes

Further development since that time is staff housing for John street Thursday island consisting of 12 x 1 bed units and 2 x 2 bed units. The only other housing under construction were 2 x 2 bed duplexes for people with disabilities as part of a Department of Communities program. This employee housing has not relieved the prevalence of overcrowded households and because of the exemption of this additional housing from the payment of infrastructure charges reduces Council's capacity to upgrade infrastructure to meet the demands of additional dwelling units.

The Queensland Government's Housing Action Plan 2019-2023 expressly commits to "affordable sale of social housing properties in the Torres Shire"<sup>5</sup>.

There is a desire and financial capacity amongst the indigenous population in the Torres Shire, on Thursday Island in particular, to become homeowners.

In order for this aspiration to be met, the Kaurareg No 3 claim must be expeditiously resolved. Council has had discussions with the Minister responsible and the Deputy Director-General of the Department of Natural Resources, Mines and Energy in this regard and as a result of these discussions, the Department has committed to commence a comprehensive audit of all State Government land on Thursday Island. The purpose of the audit is to identify both the land upon which Native Title may have been extinguished and the land upon which Native Title may be so determined to exist. This audit will assist both the State and Council in the resolution of the Kaurareg No 3 claim by consent determination.

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<sup>5</sup> Ibid, p.15

The aforementioned Queensland Government Housing Strategy asserts:

*A home means we can put down roots and become more deeply connected to the land and community. Just like a tree, through these roots, we develop connections to the people and places around us. A home means you and your family can build a life through school, work and your community. With a home, you can build foundations for generations to come.*  
(Introduction, Housing Action Plan 2019-2023, p3)

Council entirely agrees. Council supports the aspiration of Torres Strait Islander and Aboriginal families to become homeowners of properties that have been their family homes for more than three generations and calls upon the Queensland Government to expeditiously resolve the Kaurareg No 3 claim so that this may be achieved.

**Council passed the following recommendations at its Ordinary Council Meeting held on Tuesday 15, February 2022 - Productivity Commission Housing and Homelessness Agreement Inquiry :**

- 1) Torres Shire Council support a national housing strategy and homelessness strategy.
- 2) Torres Shire Council support the re-introduction of a similar program to the previous Commonwealth's NPRH in Queensland and specifically to assist our shire and region.
- 3) Torres Shire Council calls upon the Queensland Government to make good on its promise of implementing its Queensland Housing Action Plan 2019-2023 in our shire and region.

Yours faithfully,

**Dalassa Yorkston**  
**CHIEF EXECUTIVE OFFICER - TORRES SHIRE COUNCIL**