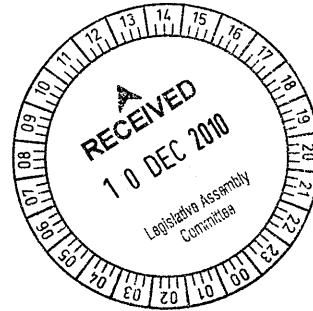




Government of Western Australia
Department of Training
and Workforce Development



D10/0765101

Mr Anthony O'Gorman MLA
Chair
Community Development and Justice Committee
Legislative Assembly
Parliament House
GPO Box A11
PERTH WA 6837

Dear Mr O'Gorman

INQUIRY INTO THE ADEQUACY AND FUTURE DIRECTIONS OF SOCIAL HOUSING IN WESTERN AUSTRALIA

Please find enclosed a submission from the Department of Training and Workforce Development for the inquiry into the adequacy and future directions of social housing in Western Australia. The Department works towards ensuring there is a skilled workforce to maximise the State's economic potential for the benefit of the Western Australian community. Its role is to support the State's sustained economic expansion by leading and coordinating workforce development strategies and driving a responsive, flexible training system within a state and national framework. The Department is the lead agency for workforce planning and has a role in facilitating the provision of affordable housing for students in the vocational education and training (VET) sector.

The Department's submission highlights the need for the provision of affordable housing for low income workers and VET students, particularly Aboriginal workers and students.

If you require any further information in relation to the Department's submission please contact Ms Karen Purdy, Principal Policy Consultant, on telephone 9238 2454 or email karen.purdy@dtwd.wa.gov.au.

Thank you for the opportunity to provide a submission to the inquiry into the adequacy and future directions of social housing in this State.

Yours sincerely

DR RUTH SHEAN
DIRECTOR GENERAL

- 6 DEC 2010

COMMUNITY DEVELOPMENT AND JUSTICE STANDING COMMITTEE

INQUIRY INTO THE ADEQUACY AND FUTURE DIRECTIONS OF SOCIAL HOUSING IN WESTERN AUSTRALIA

SUBMISSION BY DEPARTMENT OF TRAINING AND WORKFORCE DEVELOPMENT December 2010

The Department of Training and Workforce Development works towards ensuring there is a skilled workforce to maximise the State's economic potential for the benefit of the Western Australian community. Its role is to support the State's sustained economic expansion by leading and coordinating workforce development strategies and driving a responsive, flexible training system with a state and national framework. The Department is the lead agency for workforce planning and has a role in facilitating the provision of affordable housing for students in the vocational education and training (VET) sector. Access to affordable housing is one of the key enablers for individuals to participate in employment and training.

1. The role of government, the private and the not-for profit sector in facilitating affordable housing.

Currently low cost student accommodation is available at three publicly funded State Training Provider facilities: Pilbara TAFE; Durack Institute of Technology (formerly Central West TAFE); and South West Institute of Technology (formerly South West Regional College of TAFE)¹. The accommodation facility at the Durack Institute of Technology is owned and managed by the Institute. In other cases the facility is either owned by the State Training Provider or a private company and managed by an external organisation.

The development of future student accommodation facilities at publicly funded State Training Provider sites will be undertaken through partnerships with not-for-profit organisations or private companies with the State Government providing the land for the facilities. Partnership proposals are currently being considered by publicly funded State Training Providers, in conjunction with the Department. A key component of these proposals is the provision of support services for students to assist them to transition to live independently and to successfully complete their education and training.

For example, student accommodation is proposed to be developed at the Central Institute of Technology, Leederville Campus. The Institute is collaborating with Anglicare and Foundation Housing in relation to the development of a purpose built and managed social housing complex under the Foyer Australia mantle. The Foyer model has been used extensively in the United Kingdom and other European countries and proven to make a positive contribution to the social housing agenda by meeting the needs of young people as they transition from dependence to independence. The proposed complex on the Leederville Campus will be the first time this model will have been implemented in Australia.

¹ The South West Institute of Technology will discontinue their student accommodation in 2011.

The proposed facility will be managed by Foundation Housing and provide integrated accommodation, training, job search and personal support so that young people (aged 16 to 25 years) who are homeless or at risk of homelessness, can transition to employment and independence. The Institute will provide some of the training component of the arrangement. The State Government proposes to lease the land adjoining the campus to Foundation Housing to enable the development of the housing project. It is anticipated that this proposed model will provide positive outcomes for the students to successfully complete their education and training and transition to independence.

The private sector has acknowledged the need for the provision of accommodation facilities for students in the VET sector. A proposal from BHP Billiton is being considered for the development of Aboriginal apprentice and trainee accommodation facilities at the Pundulmurra Campus of Pilbara TAFE with the State Government providing the land for the housing facility.

The critical role of housing in enabling Aboriginal students in the Mid West to undertake training is being considered by the Midwest Mining and Aboriginal Economic Development Partnership (MMAEDP)² in conjunction with the State Government. The MMAEDP partnership is committed to the development and delivery of relevant education and training programs and sustainable Indigenous employment opportunities. The partnership approached the State Government to discuss the identified need to develop transitional accommodation and training hubs in Geraldton, Mullewa, Meekatharra and Mt Magnet to allow Aboriginal people to access education and training opportunities.

The State Government agreed to undertake a feasibility study for the development of the transitional accommodation and training hubs. It was agreed the intent of the study would be to canvas models that could be replicated across the State which should include:

- future capital funding options for Aboriginal students and "employment in transition" accommodation in regional areas; and
- the management model and funding for ongoing operations of such accommodation.

The Department is working in partnership with the Department of Indigenous Affairs (DIA) and the Department of Housing (DoH) to develop the scope for the feasibility study.

Additionally, the Department is working with DIA and DoH to implement five regional accommodation projects for Aboriginal apprentices and trainees proposed for Newman, Broome, Derby, Halls Creek and Fitzroy Crossing. It is important that these projects offer affordable, culturally appropriate and supported accommodation for residents with a mix of long and short term stay facilities. The Department understands that DoH is proposing to use Aboriginal Hostels Incorporated as the managing agency to operate the facilities once they are completed.

²MMAEDP was formed between Indigenous organisations, the local community, government agencies and five mining companies that are currently developing operations in the Mid West region. The five mining companies (Asia Iron Holdings Ltd, Crosslands Resources Ltd, Gindalbie Metals Ltd, Golden West Resources Ltd and Sinosteel Midwest Corporation Ltd) collectively form the Geraldton Iron Ore Alliance.

3. The impact of public housing need on specific groups.

Affordable housing is the necessary base for people to acquire education and training and then move onto steady employment³. Research undertaken by the Centre of Applied Research in Social Science in 2007 found that apprentices were living on the margins of Australian society⁴. In some occupations awards for minimum pay for first year apprentices were below the poverty line and their standard of living was barely above that of an unemployed person. In addition, research found that two-thirds of 2007 graduates were employed in low-paid occupations in the six months prior to their training⁵. It is evident students in the VET sector who earn a low income, or no income at all, clearly require access to affordable housing to complete their education and training. There is a shortage of long stay accommodation options for students in the VET sector in Western Australia.

The provision of housing for VET students who are Aboriginal, and other young people at risk, meets a fundamental need but their support requirements are extremely complex and supplementary mentoring and support services are required to be provided. It is essential that affordable housing provided for Aboriginal students is culturally appropriate and facilitates their involvement in education and training.

Overcrowding is an ongoing issue for Aboriginal people. Aboriginal households are 4.5 times more likely to be overcrowded than non-Aboriginal households⁶. These overcrowded conditions often result in the children being unable to study; teenagers having difficulty attending further education or training; and workers having difficulties attending work.

Through the DoH's Kimberley Employment Based Accommodation Project (KEBAP), supported accommodation is proposed to be provided for Aboriginal apprentices and trainees in Halls Creek, Broome, Derby and Fitzroy Crossing. It is likely the KEBAP will not satisfy the current demand for student accommodation, particularly as it will not include family accommodation. Often Aboriginal people start their families earlier than non-Aboriginals and have family responsibilities while undertaking training. The provision of appropriate accommodation facilities for Aboriginal apprentices and trainees in the Kimberley should continue to be a priority.

The Department is undertaking a feasibility study for a Trade Training Centre in the West Kimberley to support the construction, civil and oil and gas industries. The feasibility study recommends accommodation services in addition to the KEBAP project to meet the expected student demand. Therefore the model proposed will include culturally appropriate accommodation and support services for Aboriginal people.

The Department has recently released an Aboriginal workforce development strategy, *Training together – working together*. This strategy recognises the role of

³ Social Housing Taskforce (2009). *More than a roof and four walls*. Pg 37.

⁴ Centre of Applied Research in Social Science (2007). *Living Standards of Apprentices*. Report prepared for Group Training Australia.

⁵ Pocock, B. (2007). *Work-life, Low Pay and Vocational Education and Training*. Pg 2. http://www.ncver.edu.au/newsevents/opinionpieces/op_2.html

⁶ Department of Families, Housing, Community Services & Indigenous Affairs (2010). *Indigenous Home Ownership Issues Paper*, May.

affordable housing in increasing participation in training and employment. It acknowledges the notable gap in the planning and funding of supported residential facilities for students in training, and housing for Aboriginal people transitioning to employment. The Department will be working collaboratively with other departments to address these issues.

Access to affordable housing has been identified as one of the key priorities required to attract and retain workers in regional and remote locations⁷. Low income earners, particularly Aboriginal workers, living in regions affected by the State's resources boom are disadvantaged in relation to access to affordable housing.

In 2009 the Western Australia Social Housing Taskforce highlighted the lack of affordable housing for service workers in regions affected by the resources boom and the resultant impact on service delivery to the local community⁸. Initiatives such as Pilbara Cities, through which accommodation will be made available for service workers in Karratha to address the high cost of accommodation for non-mining workers, are crucial for the retention of workers in these regions.

Publicly funded State Training Providers in regional areas would be unable to attract or retain employees if the State Government did not provide housing, particularly in the Pilbara and the Kimberley where housing and rental accommodation is very expensive. The standard of housing provided by the Government Regional Officer Housing (GROH) program impacts the ability of agencies to attract and retain employees in regional areas. Unfortunately GROH has an ageing and outdated housing portfolio and some properties fall below GROH's desired standards⁹. There is a lack of variety in the type of accommodation available (for example for single people) and inflexible arrangements inhibit the ability of agencies to share excess housing stock in the regions.

The GROH program is being expanded under the State Government Royalties for Regions scheme. Four hundred GROH houses will be built, 200 of which had been completed by November 2010¹⁰. However, it is unlikely this expansion will meet the existing demand, or future demand for government employees needed to service the needs of the growing population and to respond to key developments, particularly in the northern regions of the State. Access to affordable housing for service workers, including government employees, in regional areas should continue to be a State Government priority to attract and retain workers.

The Department will shortly be releasing a workforce development plan for the State. This acknowledges the provision of housing as an enabler for people to pursue training and employment opportunities. The plan will outline key strategies to be pursued in partnership with other departments, and by other departments, to improve the supply of affordable housing to service workers, non-government organisation workers and students.

⁷ Standing Committee on Regional Development 2004. *Attracting and Retaining Professional and Skilled People in Regional Australia: A Practitioner's Guide*. Pg. 3.

⁸ Social Housing Taskforce (2009). *More than a Roof and Four Walls*. Pg. 35.

⁹ Department of Housing (2009). *Government Regional Officers' Housing: The 2008 GROH Client Agency Survey*. Pgs. 5-6.

¹⁰ Grylls, B. & Marmion B. (2010) *Ministerial Media Statements*, 200th house completed under Royalties for Regions scheme, Tuesday 9 November.

8. Factors facilitating the movement of people from the social housing sector to the private market and home ownership.

Providing unemployed people and low income earners living in social housing with the opportunity to undertake further training can provide a pathway to occupational advancement and higher earnings increasing their potential to enter the private housing market and home ownership. Research undertaken by the Australian Housing and Urban Research Institute found that housing assistance recipients have low levels of education achievement and are often employed in low skill, low paid jobs¹¹. The tenants indicated that better levels of education and training were the most important factors in improving their capacity to engage in paid work in the future.

Initiatives such as the DoH's transitional housing program, being developed collaboratively with the Wunan Foundation in the East Kimberley to help Aboriginal people transition from public housing to private rental or home ownership, are essential. Through this program housing and support services will be provided to Aboriginal people engaged in employment and training to enable them to continue participation in education, training and work; develop the skills needed to maintain permanent independent housing; and establish social supports to integrate into the community.

Transitional programs that encourage people in social housing to increase their earning capacity are essential to improve the State's workforce capacity.

9. Particular housing initiatives needed for regions of rapid growth.

As outlined above, low income earners (including VET students, and in particular Aboriginal and service workers) are particularly disadvantaged in terms of access to housing in regional areas affected by the State's resources boom. It is necessary to ensure affordable housing is available to attract and retain workers (including VET students).

¹¹ AHURI (2009). What can be done to improve employment outcomes among people receiving housing assistance? *Research & Policy Bulletin*, Issue 114, May, ISSN 1445-3428.