

Home ownership and Remote Housing Australia

Djarragun College

Noel Pearson  
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Thank you very much. I'd like to acknowledge the traditional owners.

I'm back at my favourite school. I'm the number one unofficial ticket holder of Djarragun College. They haven't confirmed that title of me yet, but I think they know it.

I just want to say congratulations to the Djarragun boys and to John Benson's team for putting into reality something that John and I had been talking about for many years. I've known John for ten years or so, and quite a number of years ago he spoke to me about this extraordinary building product that had been developed by his colleagues in Indonesia, an Easy Board product, and I was very keen about this product because it represented a potential industry opportunity for Aboriginal communities in Far North Queensland.

This extraordinary innovation, I think, is really the magic ingredient in the Remote Housing Australia product. It is something that I hope will form a second phase in this project and that we will develop a capacity to produce this Easy Board product here in North Queensland. We have all of the elements available for us. We have the land. We have the completely right climate for bamboo. We have the perlite and the gas here in North Queensland to enable us to really develop an industry for communities in the north here. But I get ahead of myself.

The first thing for John to do was to prove that this product could result in the kind of housing that is urgently needed on Aboriginal land in remote Australia. I've long been of the view that there are two issues that have got to be solved with housing on Aboriginal land. These are the perennial difficulties facing Aboriginal housing, particularly on lands held by Aboriginal communities under Aboriginal title.

The two issues are, firstly, we've got to solve the issue of indigenous people, the families who live in these homes, having skin in the game. They've got to have skin in the game. We are not going to solve the aboriginal housing problem in the long term if the black fellas don't have skin in the game. In other words, they've got to have a sense of ownership of the homes they live in. They've got to have the pride that comes with ownership. Because we know that we've had generations of housing where the indigenous people have no sense of connection or ownership with the homes they've been given. We've got to solve the skin in the game problem.

And to my mind, the two things that have got to be resolved in order for that to happen is that Aboriginal families, to the maximum extent, are engaged in the construction and contribution to the houses they live in. If we can get maximum self-help in the construction of housing, that will result in skin in the game. It'll be their sweat that's part of the equity of the house. So, we've got to solve that problem first. Because we

can build mansions, but if people don't have a sense of ownership, we'll have to rebuild these homes in short order, and that's what we've been doing.

So, we've got to solve the issue of indigenous employment and training in the construction of houses. And particularly, and importantly, as much as possible, employment by the families who will live in those homes. Maximum sweat equity from the families who will live in those homes.

The second perennial issue that we've never had a solution to, is that we've got to bring the cost of construction down. Everybody under this shed here, who has anything to do with Aboriginal housing knows the absolutely outrageous cost of construction in remote Australia. A house that costs \$150,000 to build in a suburb here in Cairns, is costing upwards of 350,000, 400, 500, and in some parts of the country, six or \$700,000 to build. We've got to bring the cost of construction down. But of course, the houses have got to be up to all of the necessary standards. And so we've always struggled with this issue of how is it that we have properly designed homes which give options to families, that are built to proper construction standards, but which are much cheaper in their construction that is presently the case? Well, Remote Housing Australia have now got a product that I think will give two, if not three houses, out of the one that we've currently expending.

For what we're currently paying and getting one house for, we have a product here that could potentially build at least two, and if not, will go a long way towards building three. The Easy Board product plays an important role in bringing down the cost of this construction. And the engagement of families, and local labour in construction, and the quick time in which these houses can be constructed, represent a solution to the construction cost issue.

So, to my mind, the Remote Housing Australia house that the Djarragun boys, and the trades people, and Dave, and the other people who have guided them in this work, have provided a solution to these two issues. Skin in the game by the families and bringing the construction costs down.

Now, might I say one thing. The ultimate goal that we have with welfare reform and indigenous reform in remote communities in Cape York Peninsula is that Aboriginal families own their own homes. That's the agenda. We want families to own their own homes. In this home ownership, this is the ultimate skin in the game. But you see, the challenge for home ownership, is we've got to bring the construction price within reach of Aboriginal families living in these communities. We will never get home ownership if the house costs \$400,000 to build. We've got to bring the construction price within reach of the families so that they can enter into loan arrangements that are affordable for them.

So, I have absolute congratulations for John and Jean and the Djarragun team here. That you've come up with a demonstration product that I hope can be quickly replicated throughout the communities that urgently need housing. The challenge of home ownership has been around for decades. Communities have been calling for home ownership since before I entered public life. I wrote my first submission to the then Commonwealth Government 25 years ago seeking access to home ownership for people in my own community, and we still haven't solved it. We're still living in welfare housing.

I don't think there's any excuse lying in front of us now that we have a product that brings the construction price within the reach of Aboriginal families. And I urge everyone in this room to pay close attention to those factors in this particular product. And I've seen numerous products all around the countryside. But the important thing about this product is that materials cost represents a revolution, and the construction time represents a real cost saving that brings housing within the reach of Aboriginal families who are low-income earners.

So, Jean, thank you very much for the kind invitation for me to press these points here this morning. I think it's absolutely imperative upon the Queensland and Commonwealth Governments to understand that it is completely unacceptable to continue to build houses for half a million dollars. It puts the house out of the reach of the families in terms of home ownership. You're condemning people to live in welfare housing ad infinitum. And it's a waste anyway. Australian taxpayers are entitled to receive better returns for the investment that we're making. And in my view, if housing can't satisfy the criteria of bringing the costs down so we get more housing units constructed, then I question the justification for why it is that we are continuing to roll out housing that's costing bomb.

Thank you.