

The Australian

Rethink on remote homes could save 40pc

- Patricia Karvelas
- From: The Australian
- January 24, 2011 12:00AM

Recommend

Be the first of your friends to recommend this.

Share

3 retweet

ABORIGINAL houses in the Northern Territory could be built for 40 per cent less than what the Gillard government is paying, according to a company bidding for a contract in the West Australian Kimberley.

The company, Community Housing, has a contract with the state government to manage 273 properties in the East Kimberley, which will involve rebuilding homes.

Aboriginal and Torres Strait Islander Social Justice Commissioner Mick Gooda last week demanded value for money in the Gillard government's Strategic Indigenous Housing and Infrastructure Program after The Australian revealed significant funds were being spent on administration and company costs.

Mr Gooda said he was concerned about waste and, if as The Australian reported, more than 30 per cent was going towards administration, he would expect that the houses being built would be the best in the country and last for 40 years. He called for an independent review of the program to look into value for money.

Steve Bevington, who runs Community Housing, said his company submitted a proposal to the state and federal governments last month to develop 372 houses over the next 3 1/2 years via the National Rental Affordability Scheme.

"The broad plan was placed in front of the WA Department of Housing in October and assessed as worthy of consideration by financiers," he said. "The level of bureaucracy (under our model) is removed by the introduction of local administration by a community housing not-for-profit provider with a strong record in on-the-ground Aboriginal housing development at traditional rates of construction costs.

"If endorsed by the WA government, good-quality housing at 60 per cent of the average price of those delivered in the SIHIP program can be achieved."

Resisting calls for the program to be reviewed independently for value for money, the government said it believed it was delivering decent houses.

A spokeswoman for Acting Indigenous Affairs Minister Mark Arbib said a review of the SIHIP was completed in August 2009 and this resulted in improvements to the administration and delivery of the program. "An independent assessment completed in March 2010 found all review recommendations had been implemented and the program was on track," she said.

"All new SIHIP houses are robust, built to last and comply with the Building Code of Australia and the National Indigenous Housing Guide."

A leaked draft budget, prepared by the company contracted to perform the work at Wadeye, in the Northern Territory, allocates \$20.64 million for administrative and establishment costs out of a contract of more than \$60m and with a guaranteed profit of 20 per cent.

The housing program was announced in 2008 but became bogged down amid claims of poor administration and waste.

After The Australian revealed the problems with it, Indigenous Affairs Minister Jenny Macklin ordered a review, which led to administrative changes.

Recommend

Be the first of your friends to recommend this.

Share

3 retweet

Copyright 2011 News Limited. All times AEDT (GMT +11).