

**National Aboriginal and Torres Strait Islander Women's Alliance
(NATSIWA)**

REPORT

**Aboriginal and Torres Strait Islander Housing Across
Urban, Regional and Remote Australia**

Climate Impacts, Systemic Inequality and Government Response

April 2026

Executive Summary

Housing is a fundamental determinant of health, safety and well-being. For Aboriginal and Torres Strait Islander peoples, access to safe, secure, affordable and culturally appropriate housing remains a persistent and systemic challenge across Australia. Housing inequality is shaped by colonisation, dispossession, intergenerational poverty, racism, inadequate supply, and fragmented policy and service systems.

This report examines housing challenges across urban, regional and remote contexts. It also considers the growing impact of climate-related events, including flooding, drought, bushfires and extreme heat, and assesses whether current government action is sufficient to meet need.

The evidence shows that while governments have made important commitments, including Closing the Gap targets, remote housing investments, and housing and homelessness agreements, the scale of action does not yet match the scale of need. Aboriginal and Torres Strait Islander communities continue to experience disproportionate rates of overcrowding, homelessness and housing insecurity.

Key Statistics

Issue	Key evidence
Unmet housing need	In 2021, one in eight Aboriginal and Torres Strait Islander households had unmet housing needs. ¹
Overcrowding	The proportion of First Nations people living in overcrowded housing fell from 31% in 2001 to 19% in 2021 but remains significantly higher than for non-Indigenous Australians. ²
Remote overcrowding	In 2021, overcrowding was 55% in very remote areas, 32% in remote areas, 18% in outer regional areas, 13% in inner regional areas and 12% in major cities. ³
Closing the Gap	Nationally in 2021, 81.4% of Aboriginal and Torres Strait Islander people were living in appropriately sized housing, below the 2031 target of 88%. ⁴
Homelessness	In 2021, 24,930 Aboriginal and/or Torres Strait Islander people were estimated to be experiencing homelessness, representing 20.4% of all people experiencing homelessness in Australia. ⁵
Social housing crowding	In 2021, 37% of First Nations people in public housing and 43% in community housing were living in crowded conditions. ⁶

Introduction

Safe, secure and culturally appropriate housing underpins health, safety and wellbeing, yet it remains out of reach for far too many Aboriginal and Torres Strait Islander people across Australia.

Despite some progress, Aboriginal and Torres Strait Islander people remain disproportionately impacted by overcrowding, homelessness and housing insecurity. These challenges are now being intensified by climate-related events, including flooding, drought, bushfires and extreme heat, which are increasing pressure on already inadequate housing systems.

Housing inequality must be understood within the broader context of colonisation, dispossession and structural disadvantage. Housing is not only shelter. It is central to cultural connection, family wellbeing, safety, self-determination and the ability of communities to remain connected to Country.

Context and Overview

Aboriginal and Torres Strait Islander housing disadvantage is driven by interconnected factors, including historical displacement and land dispossession, intergenerational poverty, systemic racism and discrimination, insufficient and inappropriate housing supply, and fragmented policy and service systems.

In 2021, one in eight Aboriginal and Torres Strait Islander households had unmet housing needs, demonstrating the scale and persistence of the issue.¹

Housing inequality is not evenly distributed. Remote communities experience some of the most visible and severe conditions, but Aboriginal and Torres Strait Islander people in urban and regional areas also face significant and often less visible barriers to safe and stable housing.

Housing Challenges Across Urban, Regional and Remote Areas

Urban Areas

Housing disadvantage in urban areas is often less visible but deeply entrenched. Many Aboriginal and Torres Strait Islander people live in urban centres, yet mainstream housing systems often fail to recognise cultural obligations, kinship structures and extended family living arrangements.

- Aboriginal and Torres Strait Islander households are less likely to own their home than non-Indigenous households, increasing reliance on rental and social housing and exposure to housing instability.²
- Housing affordability pressures and rising private rental costs place families under significant financial stress.
- Discrimination in the private rental market limits access to housing and can force people into insecure, poor quality or overcrowded accommodation.

- Aboriginal and Torres Strait Islander people are overrepresented on social housing waitlists and often face long waiting periods.
- Women and children escaping family and domestic violence face heightened risks when safe housing pathways are unavailable.

Regional Areas

Regional communities experience a combination of urban and remote housing challenges. Housing shortages are often compounded by limited services, aging housing stock and fewer options for emergency, transitional or long-term housing.

- Limited availability of affordable and appropriate housing.
- Aging and poor-quality housing stock, including homes that require significant repair and maintenance.
- Reduced access to maintenance services and slow response times for urgent repairs.
- Overcrowding is linked to limited housing supply and mobility between communities.
- Movement between communities for services, health care, employment, education and cultural obligations, which can increase pressure on already limited housing.

Housing demand continues to outpace supply in many regional locations, placing further pressure on families and services.

Remote Communities

Housing conditions in remote communities remain among the most severe in Australia. In 2021, overcrowding was highest in very remote areas, where 55% of First Nations people were living in overcrowded dwellings.³

- Severe and chronic overcrowding.
- Poor housing quality and inadequate infrastructure.
- Limited construction of new housing and long delays in delivery.
- High costs of building, maintenance and repairs due to remoteness.
- Environmental pressures, including heat, flooding and storm damage, affecting housing durability.

Overcrowding in remote communities contributes to significant health, safety and social impacts, affecting every aspect of daily life.

Overcrowding and Housing Conditions

Overcrowding is one of the most significant indicators of housing inequality. The proportion of First Nations people living in overcrowded conditions fell from 31% in 2001 to 19% in 2021, but remains far higher than for non-Indigenous Australians.²

The Closing the Gap housing target is to increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized housing to 88% by 2031. Nationally, the 2021 figure was 81.4%, indicating improvement from the 2016 baseline but still below the target.⁴

Crowding is particularly high in social housing. AIHW analysis of 2021 Census data found that 37% of First Nations people in public housing and 43% in community housing were living in crowded conditions, compared with less than 12% of First Nations home owners.⁶

Overcrowding is not only a housing issue. It increases stress, reduces privacy and safety, affects sleep and study, and contributes to the spread of infectious diseases. It also increases pressure on women, elders, and carers who often hold responsibility for maintaining family stability in difficult conditions.

Homelessness

Aboriginal and Torres Strait Islander people are significantly overrepresented in homelessness. In 2021, 24,930 Aboriginal and/or Torres Strait Islander people were estimated to be experiencing homelessness, an increase from 23,437 in 2016. This represented one in five people experiencing homelessness in Australia.⁵

Severely overcrowded housing is a major form of homelessness for Aboriginal and Torres Strait Islander people, meaning homelessness is often hidden within households rather than visible as rough sleeping.⁷

These figures reflect structural barriers to housing access and affordability, as well as the failure of mainstream systems to provide adequate, culturally safe and timely housing pathways.

Climate Impacts on Housing

Climate change is intensifying existing housing inequities. National and international evidence recognises that Aboriginal and Torres Strait Islander peoples experience unique and disproportionate climate impacts due to connection to Country, existing social and economic inequalities, remoteness, infrastructure gaps and the legacy of underinvestment.^{13,14}

Research on sustainable Indigenous housing in regional and remote Australia has found that current housing stock, funding and property maintenance regimes are not sufficient to manage the thermal exposure and health risks associated with climate change.¹⁵

Flooding

Flooding can damage or destroy homes, displace families and increase overcrowding when people are forced to stay with relatives. In Aboriginal communities, recovery can be delayed by remoteness, limited housing alternatives, lack of insurance, and rebuilding processes that do not reflect cultural needs or kinship arrangements.

- Damage and destruction of already inadequate housing stock.
- Displacement of families and communities.
- Increased overcrowding following displacement.
- Delays in rebuilding and repairs, particularly in regional and remote locations.
- Emergency accommodation that may be culturally inappropriate, inaccessible or unsafe.

Drought

Drought affects housing by reducing water security, increasing cost of living pressures, and undermining the habitability of homes and communities. In regional and remote areas, drought can drive mobility as families seek access to services, work, water and more stable living conditions.

- Water insecurity affecting the habitability and safety of homes.
- Increased household costs and financial stress.
- Movement of families seeking more stable conditions.
- Pressure on limited housing infrastructure in receiving communities.

Bushfires

Bushfires can cause the loss of homes, community infrastructure, cultural sites and access to Country. For Aboriginal and Torres Strait Islander peoples, the impacts extend beyond property loss and include disruption to cultural practice, identity, belonging and social and emotional wellbeing.

- Loss of homes and community infrastructure.
- Long-term displacement and housing insecurity.
- Barriers to rebuilding, including cost, insurance limitations and planning delays.
- Disruption to connection to Country and cultural responsibilities.

Heat, Housing Quality and Energy Stress

Extreme heat is an increasing housing and health risk, particularly in remote areas where homes may be poorly insulated, overcrowded and reliant on expensive or unreliable energy.

HealthInfoNet notes that in remote areas, inadequate housing and limited cooling can increase heat-related illness and worsen existing medical conditions.¹⁶

Climate resilience must therefore include housing design, cooling, insulation, ventilation, water security, energy affordability, repairs and maintenance, and community-led adaptation planning.

Compounding Impacts Across Locations

- Urban areas: increased demand, rising rents and homelessness risk following displacement from climate-affected regions.
- Regional areas: repeated exposure to floods, fires and drought, with limited local recovery infrastructure and housing supply.
- Remote communities: severe infrastructure challenges, isolation, higher costs and delayed repairs or rebuilding.

Climate impacts compound existing disadvantage and deepen inequality. Without deliberate investment in climate-resilient housing, Aboriginal and Torres Strait Islander communities will continue to carry disproportionate costs.

Health and Social Impacts

- Increased risk of infectious diseases due to overcrowding and poor housing conditions.
- Links between poor housing, environmental health risks and chronic illness.⁸
- Impacts on mental health and social and emotional wellbeing.
- Disruption to education, employment and family stability.
- Increased stress on services and community-controlled organisations responding to housing need.

Safe housing is a critical determinant of long-term health and wellbeing. Housing policy must therefore be integrated with health, family safety, justice, education, employment and climate policy.

Impacts on Women and Families

Aboriginal and Torres Strait Islander women are disproportionately affected by housing insecurity. Housing instability intersects with family and domestic violence, poverty, child protection involvement, caring responsibilities and limited access to safe crisis or long-term housing.

- Women and children escaping violence require immediate access to safe, culturally appropriate housing pathways.
- Overcrowding can increase stress, reduce privacy and heighten safety risks.
- Housing instability can increase contact with child protection systems and undermine family stability.
- Lack of housing options can force women to remain in unsafe situations or move away from Country, family and support networks.

Safe, secure and culturally appropriate housing is essential for safety, stability and long-term wellbeing.

Government Action on Aboriginal and Torres Strait Islander Housing

Governments have implemented a range of policies and funding commitments aimed at improving Aboriginal and Torres Strait Islander housing outcomes. These include Closing the Gap commitments, remote housing investments, repairs and maintenance funding, and national housing and homelessness agreements.

Closing the Gap - Outcome 9

The National Agreement on Closing the Gap includes Outcome 9: Aboriginal and Torres Strait Islander people secure appropriate, affordable housing that is aligned with their priorities and need. Target 9a is to increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized housing to 88% by 2031. Target 9b is focused on essential services in discrete communities.⁹

Remote Housing Investment

The Australian and Northern Territory Governments have committed \$4 billion over ten years to improve housing in remote Northern Territory communities and homelands. The package is intended to deliver up to 2,700 houses over ten years and a comprehensive repairs and maintenance program.¹⁰

This investment is significant and responds to some of the most severe housing need in Australia. However, implementation, local workforce development, community decision-making and maintenance systems will determine whether the investment delivers lasting change.

Repairs, Maintenance and Homelands Funding

The Housing Australia Future Fund Acute Housing Measure includes \$200 million for repairs, maintenance and improvements of housing in remote Indigenous communities.¹¹ Government commitments have also included funding for housing and essential infrastructure on homelands.¹¹

National Housing and Homelessness Arrangements

From 1 July 2024, the National Agreement on Social Housing and Homelessness replaced the National Housing and Homelessness Agreement. The agreement recognises the need to address the disproportionate housing inequality affecting Aboriginal and Torres Strait Islander people and aligns with Closing the Gap priority reforms.¹²

The Housing Australia Future Fund was established in 2023 as a dedicated investment vehicle to support social and affordable housing and acute housing needs, including the needs of Indigenous communities and women and children experiencing family and domestic violence.¹⁸

Is Government Action Enough?

The short answer is no. Government action is important, and some recent investments are significant, but the current response does not yet match the scale, urgency or complexity of Aboriginal and Torres Strait Islander housing need.

Demand Continues to Outpace Supply

Housing shortages remain significant across urban, regional and remote areas. In 2021, one in eight Aboriginal and Torres Strait Islander households had unmet housing needs.¹ Population growth, climate displacement and cost of living pressures are likely to increase demand further.

Overcrowding Persists

Although overcrowding has declined over time, it remains very high in remote and very remote areas and in social housing.^{2,3,6} The 2031 target of 88% appropriately sized housing has not yet been met.⁴

Housing Quality and Maintenance Remain Major Gaps

New construction alone will not solve the issue if existing housing remains poorly maintained. Repairs and maintenance must be timely, culturally safe, adequately funded and locally responsive.

The System Remains Fragmented

Housing policy and delivery remain divided across federal, state, territory and local systems. This fragmentation can create gaps in accountability, inconsistent service responses and delays in delivery.

Community Control Has Not Been Fully Realised

Government commitments increasingly recognise the importance of Aboriginal community-controlled housing organisations, but funding, stock transfer, decision-making power and long-term sector strengthening have not kept pace with need.

Climate Resilience Is Not Yet Embedded

Flooding, drought, bushfires and heat are intensifying housing risks. Climate resilience must be treated as core housing infrastructure, not an add-on. The cost of climate-related hazards to housing is already substantial nationally and is expected to grow without stronger adaptation investment.¹⁷

Strengths and Community-Led Solutions

Aboriginal and Torres Strait Islander communities continue to demonstrate leadership, innovation and resilience in housing solutions. Community-led approaches are essential because they reflect local knowledge, cultural obligations, Country, climate realities and family structures.

- Aboriginal community-controlled housing organisations.
- Culturally informed housing design that supports family, kinship, privacy, safety and connection to Country.
- Local workforce development in construction, maintenance and tenancy support.
- Community governance and shared decision-making.
- Integrated approaches that connect housing with health, family safety, climate adaptation and social and emotional wellbeing.

Recommendations

1. Increase long-term housing supply across urban, regional and remote areas, with specific targets for Aboriginal and Torres Strait Islander housing need.
2. Invest in culturally appropriate and climate-resilient housing design, including cooling, insulation, ventilation, flood resilience, bushfire resilience, water security and energy affordability.

3. Strengthen Aboriginal community-controlled housing organisations through sustained funding, stock transfer where appropriate, workforce development and genuine decision-making power.
4. Address systemic racism in housing systems, including discrimination in the private rental market and barriers within social housing access and allocation processes.
5. Improve repairs and maintenance systems, particularly in remote communities, with local workforce participation and accountable timeframes.
6. Integrate housing, health, climate, family safety, justice and child protection policy so housing is treated as core social infrastructure.
7. Provide safe and accessible housing pathways for Aboriginal and Torres Strait Islander women and children experiencing family, domestic and sexual violence.
8. Ensure emergency and disaster recovery accommodation is culturally safe, accessible and able to accommodate kinship and family structures.
9. Embed Aboriginal and Torres Strait Islander leadership in climate adaptation planning, disaster recovery and housing resilience programs.
10. Improve data collection and accountability so governments can track housing need, overcrowding, homelessness, climate impacts and delivery outcomes.

Conclusion

Housing inequality for Aboriginal and Torres Strait Islander peoples remains one of the most urgent challenges in Australia. While progress has been made, it has not kept pace with need. Aboriginal and Torres Strait Islander people continue to experience disproportionate rates of overcrowding, homelessness and housing insecurity across urban, regional and remote areas.

Climate change is intensifying these challenges. Flooding, drought, bushfires and extreme heat are damaging homes, displacing families, increasing overcrowding and threatening connection to Country. These impacts are not separate from housing policy; they are now central to it.

A coordinated, well-funded and community-led approach is essential. Governments must move beyond short-term programs and fragmented responses toward sustained investment, Aboriginal community control, culturally informed housing design and climate-resilient infrastructure. Safe, secure and sustainable housing is foundational to health, safety, self-determination and the future wellbeing of Aboriginal and Torres Strait Islander peoples.

Footnotes and References

1. Australian Housing and Urban Research Institute (AHURI), 'First Nations housing crisis: major study reveals huge gap in affordable rental housing', 2025, <https://www.ahuri.edu.au/analysis/news/first-nations-housing-crisis-major-study-reveals-huge-gap-affordable-rental-housing>.
2. Australian Institute of Health and Welfare (AIHW), Housing circumstances of First Nations people, 2025, <https://www.aihw.gov.au/reports/australias-welfare/indigenous-housing>.
3. AIHW, Housing circumstances of First Nations people, 2025; Australian Bureau of Statistics (ABS), Census of Population and Housing 2021.
4. Productivity Commission, Closing the Gap Information Repository - Outcome 9: Aboriginal and Torres Strait Islander people secure appropriate, affordable housing, 2021 data, <https://www.pc.gov.au/closing-the-gap-data/dashboard/outcome-area/housing/>.
5. ABS, Aboriginal and Torres Strait Islander peoples experiencing homelessness, 2021 Census analysis, 27 June 2023, <https://www.abs.gov.au/articles/aboriginal-and-torres-strait-islander-peoples-experiencing-homelessness>.
6. AIHW, Closing the Gap targets: key findings and implications - Housing, 2025, <https://www.aihw.gov.au/reports/indigenous-australians/closing-the-gap-targets-key-findings-implications/contents/housing>.
7. ABS, Estimating Homelessness: Census, 2021, 22 March 2023, <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>.
8. Australian Indigenous HealthInfoNet, Housing and community, Environmental Health, Edith Cowan University, <https://healthinonet.ecu.edu.au/learn/determinants-of-health/environmental-health/housing-and-community/>.
9. Coalition of Peaks and Australian Governments, National Agreement on Closing the Gap - Targets 9a and 9b, <https://www.closingthegap.gov.au/national-agreement/targets>.
10. National Indigenous Australians Agency (NIAA), Northern Territory Remote Housing Package, 2024, <https://www.niaa.gov.au/our-work/community-safety-and-housing/northern-territory-remote-housing-package>.
11. Council on Federal Financial Relations, Housing Australia Future Fund - Acute Housing Measure, 2025, <https://federalfinancialrelations.gov.au/agreements/housing-australia-future-fund-acute-housing-measure>.
12. Australian Treasury, National Agreement on Social Housing and Homelessness, from 1 July 2024, <https://treasury.gov.au/policy-topics/housing/housing-homelessness-strategy/national-agreement-social-housing-and-homelessness>.
13. Department of Climate Change, Energy, the Environment and Water, National Climate Risk Assessment - First pass assessment report, 2024,

<https://www.dcceew.gov.au/sites/default/files/documents/national-climate-risk-assessment-first-pass-assessment-report-2024.pdf>.

14. Intergovernmental Panel on Climate Change (IPCC), Sixth Assessment Report, Working Group II, Chapter 11: Australasia, 2022, <https://www.ipcc.ch/report/ar6/wg2/chapter/chapter-11/>.

15. AHURI, Sustainable Indigenous housing in regional and remote Australia, Final Report No. 368, 2021, <https://www.ahuri.edu.au/sites/default/files/documents/2021-11/AHURI-Final-Report-368-Sustainable-Indigenous-housing-in-regional-and-remote-Australia.pdf>.

16. Australian Indigenous HealthInfoNet, Climate change and adaptation, Environmental Health, Edith Cowan University, <https://healthinfonet.ecu.edu.au/learn/determinants-of-health/environmental-health/climate-change/>.

17. Climate Change Authority, Home Safe: National leadership in adapting to a changing climate, 2025, <https://www.climatechangeauthority.gov.au/sites/default/files/documents/2025-07/Home%20Safe%20-%20Final.pdf>.

18. Finance Portfolio, Housing Australia Future Fund, established under the Housing Australia Future Fund Act 2023, <https://www.finance.gov.au/government/australian-government-investment-funds/housing-australia-future-fund>.