

Supplementary questions for witnesses – Options for Essential Worker Housing in NSW – 3  
December 2024 public hearing

United Workers Union

**1. Do you have any data on the percentage of United Workers' Union's members who meet the eligibility criteria for affordable housing?**

We're not unfortunately able to provide precise data on this point. Eligibility criteria can vary between programs, and commonly considers household income and dependents – demographic data the union does not collect (we note for example the definitions and categories used in NSW Affordable Housing Ministerial Guidelines 2022/23).

This being said – we have strong understanding of the income ranges of our members and from this can make general estimates regarding household income ranges.

As detailed in our submission, the income range between a single income cleaner and dual income ECEC worker family is approximately 50% to 130% of the median family income in NSW. We provided these examples as they are reflective of significant portion of UWU's members who earn low to moderate incomes. This includes sectors which are heavily award-reliant like hospitality, ECEC, aged care and security, as well as those where enterprise agreements are more common like manufacturing, food and beverage, logistics and warehousing.

Noting that the cost threshold and income range for housing to generally be considered affordable, per the ministerial guidelines, is 30% of 50-120% median income, we are confident in our position that a significant portion of our membership would be eligible for affordable housing programs if these metrics were used.

We also emphasize the importance of the committee considering affordability as a key component of essential worker housing. Potential eligibility for affordable housing programs, separate to any essential worker initiatives, should not be seen as reason to not target affordability inclusions within essential worker housing projects. There is both a significant lack of affordable housing supply for low and moderate income workers as well as a strong case to ensure that essential workers within these income ranges have access to housing near work places, just as there is for their higher paid colleagues.

**2. Are you aware of any models or pilot programs for essential worker housing that could be implemented or expanded across NSW? If not, what key factors should be considered when designing affordable housing for essential workers?**

We refer the committee to our submission which details a number of key factors which should be considered when designing affordable housing for essential workers.

We call for it to be prioritized and for affordability targets and metrics to be built in from outset of any program and/or project.

The three key metrics that we refer to are the income level a property is affordable at, the percentage of income required to afford it and how many units are affordable in any given project.

Given spending 30% of pre-tax income is considered to place someone under housing stress, we think it makes sense to create affordability targets below this amount.

This means that income levels need to be defined – we think given the range of income essential workers earn, targeted affordable units should be available to essential workers across very low, low, and moderate incomes. This means below 50% median income up to 120% or potentially higher in high-cost geographies.

And lastly, the percentage of units or floor space set aside as affordable – we think the goal here is to be ambitious as possible within any given program and to ensure that projects seeking to taking advantage of multiple incentives increase rather than double dip on their affordability inclusions.

Having these requirements set within a program's parameters will allow developers to incorporate affordability metrics into their financial modelling. It will also enable the government to assess and ensure the adequacy of incentives to achieve meaningful affordability outcomes.