

**Submission  
No 9**

## **OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES**

**Organisation:** Port Macquarie Hastings Council

**Date Received:** 5 September 2024

Refers to: 10787/2024

4 September 2024

Refers to: 10787/2024

NSW Legislative Assembly Committee on Essential Worker Housing  
6 Macquarie Street  
Sydney NSW 2000

Dear The Hon. Alex Greenwich MP

**Legislative Assembly Select Committee on Essential Worker Housing submission**

The Port Macquarie-Hastings Council (PMHC) are grateful for the opportunity to provide a submission to the NSW Legislative Committee on essential worker housing. The Port Macquarie-Hastings region have significant challenges in ensuring that essential workers have access to a supply of affordable and adequate housing now and in the future.

In the Port Macquarie-Hastings Local Government Area:

- Median house prices are currently **\$847,950**.
- The average rent is **\$620** per week.
- The median household income in the LGA is **\$1,263** per week.

This median data for Port Macquarie-Hastings results in:

- **Half of all household income** (49.1%) **is committed to housing for renters**
- To borrow 80% of the median house price, a resident with median income would be committing **75% of the household income to mortgage payments** alone. (On the assumption that they could borrow the funds)
- **To purchase** the median house at 35% of the median income the resident **would need a deposit of \$530,950**.

This is a clear illustration of the essential workers housing crisis in our region and the unreasonable volume of housing stress. This magnitude of stress is financially unsustainable for essential workers in Port Macquarie-Hastings and highlights the significance of Port Macquarie Hastings being a Regional NSW

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priority as we seek to manage more than 6,000 households in the LGA experiencing Housing Tenure Stress.

The increasing cost of housing highlights the inequity of affordable housing for essential workers in a regional market, where housing is driven as a commodity. This submission outlines a potential definition for essential worker housing and proposes a framework for collaboration between private stakeholders, local governments, and state governments to address this critical issue.

### **Defining Essential Worker Housing**

A definition for essential worker housing would rely on several key factors. Port Macquarie-Hastings Council view an '**essential worker**' as someone whose job is critical to maintaining the **core functions** of **public health, society, and economy**.

Essential worker housing refers to **affordable residential** accommodation designated for **individuals** whose occupations are critical to ensuring **core functions** of **public health, society, and economy**.

For the necessity of these workers housing to be close to their employment and these workers cannot perform their duties remotely.

These occupations could include:

- **Healthcare professionals:** Nurses, paramedics, doctors, and support staff.
- **Emergency services personnel:** Police officers, firefighters, paramedics, and other first responders.
- **Educators:** Teachers, early childhood educators, and school support staff.
- **Public transport workers:** Bus drivers, train operators, and maintenance staff.
- **Public utility workers:** Those working in water, wastewater, electricity, and waste management services & critical public service workers.
- **Aged care and disability support workers:** Individuals providing care and support to vulnerable populations.

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Essential worker housing, designed with affordability, proximity to workplaces, and liveability in mind, is a practical and efficient solution for the needs of these critical workers. It ensures that vital services remain uninterrupted and that workers can maintain a reasonable quality of life.

The eligibility of essential worker housing should be considered, including income and or means testing for housing prioritisation. For example a partner or family unit may include one partner as an essential worker. However, the other partner is employed on high income and, as such, may be able to participate in the general property market and might not be reliant on essential worker housing.

For essential workers to be eligible for affordable housing, they could be required to show a household income in the very low, low or moderate-income brackets, as categorised by ATO and ABS data for the locality.

### **Policy Recommendations for Improving Affordable Essential Worker Housing**

A collaborative framework is critical for addressing the housing needs of essential workers in a sustainable and meaningful manner. The following steps outline how local, state governments and stakeholders can work together collaboratively:

- 1. Joint Task Force:** Establish a joint task force comprising representatives from local councils, state housing authorities, and relevant stakeholders. This task force would be responsible for assessing housing needs, identifying suitable sites for development, and coordinating funding and resources.
- 2. Integrated Planning:** Ensure that local housing strategies are integrated into broader state planning initiatives. This includes alignment of zoning adjustments, land use planning and principal planning controls, and the development of mixed-use areas that incorporate essential worker housing including shop top housing.
- 3. Funding Mechanisms:** Develop funding mechanisms that leverage both state and local resources. This could include grants, specific contribution under Part 7 of the Environmental Planning and Assessment Act 1979 for essential worker housing category infrastructure, low-interest or interest free loans or government loan schemes, community land trusts and public-

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private partnerships with reduced administrative burden aimed at financing the construction and maintenance of essential worker housing.

- 4. Opportunities within Developments on Government-Owned Land:** Use of suitable government owned land for essential worker housing projects and the incentives available for local government to participate.

#### **Port Macquarie-Hastings Local Initiatives**

Port Macquarie-Hastings Council, intend to pursue the following initiatives, as indicated in our Living and Place strategy and Affordable Housing Plan, to support essential worker housing:

- 1. Land Allocation:** Identify and allocate suitable parcels of land for the development of essential worker housing. This could include repurposing underutilised public land or incentivising private developers through zoning bonuses and contributions incentives.
- 2. Regulatory Support:** Streamline planning and approval processes for essential worker housing projects. This could include expedited permitting, reduced development application fees, and flexible design standards that meet the specific needs of essential workers.
- 3. Community Engagement:** Engage with local communities to build support for essential worker housing projects. This includes transparent communication about the benefits of such housing and addressing any concerns or misconceptions.

#### **State Government Initiatives**

The state government can support local efforts through the following initiatives:

- 1. Legislative Support:** Enact legislation that prioritises essential worker housing and provides clear guidelines for local governments to follow. This includes defining essential worker categories and setting affordability benchmarks in legislation.
- 2. Financial Assistance:** Provide whole of life cycle considered financial assistance to local councils through grants, subsidies, and interest free or low-interest loans or sustained revenue streams specifically for essential

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worker housing projects. This ensures that local initiatives are adequately funded and financially sustainable.

- 3. Policy Alignment:** Align state policies with local initiatives to create a cohesive approach to essential worker housing. This includes integrating housing strategies with transportation, healthcare, and education policies to ensure holistic support for essential workers based on the lifestyle and wellbeing needs.

Port Macquarie-Hastings Council reinforces that addressing the housing needs of essential workers is critical for the resilience and sustainability of our communities.

The Health Care & Social Assistance sector is Port Macquarie-Hastings largest employer and **employs almost twice as many people** as the second largest sector. In the context of our ageing population there are:

- Presently **1,480** income producing residents in Port Macquarie-Hastings **per 1,000** residents over 65 years
- By 2046 there will be **1,190** income producing residents **per 1,000** people over 65
- **This is 290 less workers to care for the same rate of people**, a reduction of **20% potential services** to retirees and the elderly.
- Our highest growth demographic by life stage is **Elderly (80+)** people. They **are forecast to grow at a rate almost 5 times that of Young Workers (25-34)** to 2046.

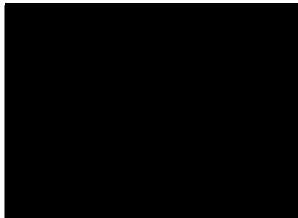
These are key elements that make it critical that Port Macquarie Hastings be considered a strategic priority for essential worker housing funding and model creation.

By defining essential worker housing and fostering collaboration between private stakeholders, local and state governments, we can develop effective policies and initiatives that ensure affordable and adequate housing for those who provide indispensable services. The Port Macquarie-Hastings Council is committed to working with the NSW government to achieve these goals and improve the quality of life for essential workers in our region.

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If you have any questions, please do not hesitate to contact Council's Strategic Planning team on [REDACTED] should you require any clarification in relation to this matter.

Yours sincerely



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