

**Submission  
No 36**

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

**Organisation:** Transport Workers' Union of New South Wales  
**Date Received:** 12 September 2024

Partially  
Confidential



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**Submission**

***Options for Essential Worker Housing in New South Wales***

*12/09/2024*

**Transport Workers' Union of New South Wales**

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# Transport Workers' Union of NSW

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## Contents

1. Summary of Recommendations .....	3
2. About the TWU .....	4
3. Introduction .....	4
4. Definition and Scope of "Essential Worker" .....	4
5. Worker Cohorts and Geographical Areas.....	6
6. Increasing Housing Supply for Essential Workers .....	9
7. Conclusion.....	10



## 1. Summary of Recommendations

1.1 The Transport Workers' Union of NSW (TWU) believes that affordable and accessible housing must remain available to essential workers. In the context of transport, this includes a variety of different sectors.

1.2 Below is a summary of the TWU's recommendations, observations and insights, for the consideration of the Committee.

- That the NSW Government establish and enforce an appropriate definition of "essential worker", especially if Government initiatives and cost of living relief are to be distributed to workers who are eligible under the classification.
- Expansion of essential worker definitions with respect to various industries and occupations that may otherwise remain unconsidered – such as critical transport sectors (road transport / general freight, waste management, buses, etc.)
- That the NSW Government review the methodology of defining essential work, particularly beyond what remains of the COVID-19 context.
- Development of essential worker housing must be carried out in the vicinity of key industries and subsequent occupations. Additionally, the relationship between jobs and geographical areas must be assessed in a proactive manner, rather than after the fact.
- A criterion should be established for determining the location of essential worker housing, as well as tenancy priority. This should be conducted in collaboration with industry and unions.
- In the event of compulsory acquisitions of property and land, the NSW Government must consider the financial well-being of impacted parties.
- Regional areas should remain a focus of the NSW Government, given that the underpinnings, infrastructure and land necessary to facilitate (and create) essential work already exists in many places. The NSW Government should continue to incentivise regional living for essential workers.
- The NSW Government should award contracts to construction operators who have a proven track record of quality work and good labour standards.
- The Building Commission should be armed as an instrument to assess prospective tenderers for Government housing projects.
- Minimum standards should be inserted into the tendering process for Government construction projects, in collaboration with relevant stakeholders.
- Further consultation with the TWU on all related matters.



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## 2. About the TWU

2.1 The TWU represents tens of thousands of people in Australia's road transport, aviation, oil, waste management, gas, passenger vehicle and freight logistics industries.

2.2 With over one hundred years' experience representing the workers who conduct Australia's crucial passenger and freight transport tasks, the TWU has been proactive in advocating for the establishment and improvement of industry standards which advance the lives and safety of transport workers, their families and the community at large.

## 3. Introduction

3.1 The TWU welcomes the opportunity to contribute to the inquiry on Options for essential worker housing in New South Wales. In addition to achieving the goals of the committee, this inquiry provides a unique opportunity to platform the voices of transport workers on issues that directly impact their daily lives.

3.2 Through a long-standing representational history of transport workers, the TWU is uniquely positioned to provide insight into the various issues that impact the workers of this broad and diverse industry.

## 4. Definition and Scope of "Essential Worker"

4.1 The transport industry is populated with many different sectors and workers who perform critical tasks that, in some cases, remain overshadowed by other occupations when the average person – or even the NSW Government and official agencies picture an "essential worker".

4.2 Workers in transport, such as bus drivers and those in waste management, all the way to the truck drivers performing general freight; each complete indispensable tasks that keep society functioning, and enhance the daily lives of NSW residents. Nonetheless, many workers within transport are also "low-income", such as those in warehousing, baggage handling, and waste management, among others.

4.3 The NSW Government has defined what an "essential worker" is, from its perspective. An essential worker is any employee of the following industries:

- Health
- Education
- NSW Police
- NSW Fire & Rescue



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- Department of Communities & Justice<sup>1</sup>

- 4.4 This criterion is outlined through a very specific NSW Government program, so the extent to which it applies in official capacity elsewhere is unknown. It is, however, consistent with other NSW Government agendas focusing on essential workers – one of which will be discussed further within this submission.
- 4.5 Disappointingly, there is a lack of consideration towards various transport-based occupations that the TWU would argue should be considered “essential”. General freight and road transport are industries that support NSW in an undeniable way – without trucks, for example, supermarkets would soon struggle to replenish their stocks. Waste management workers, who carry out work on contracts across the state, provide a crucial service that is essential to community function – they play a much-needed role in maintaining public health and sanitation by disposing of waste properly.
- 4.6 Notably, transport workers (those working in delivery and transportation of goods, warehousing, waste management and buses) were considered essential workers throughout the COVID-19 pandemic, in that they could physically attend the workplace and conduct their work within the lockdowns. Nevertheless, this is only within the context of the COVID-19 pandemic, and it should be acknowledged that a variety of industries and occupations were afforded specific consideration.
- 4.7 In the post-pandemic world, there has seemingly been a shift in perception on just what occupations are considered essential. Those that remain in the NSW Government’s mind enjoy the benefits of various schemes and handouts – the essential worker housing agenda that remains the focus of this inquiry is one such example, but another would be the \$1,000 cost of living adjustment for essential workers announced in the NSW Government’s most recent Budget<sup>2</sup>.
- 4.8 No transport workers were considered essential under the scope of these benefits, despite the nature of the work conducted in the likes of waste management and buses. This is especially disappointing for bus drivers, considering that not only does the NSW Government remain the economic employer for these critical workers, but the decisions reached by the previous NSW Government have, without exaggeration, left the space in a ruined state where conditions have degraded, and NSW’s bus drivers are now among the lowest paid in the country.
- 4.9 The methodology for determining which industries and occupations may be considered essential lacks transparency. Generally speaking, an essential worker can be profiled as an individual who performs an absolutely necessary task or function in society. The TWU would again argue that workers in sectors such as road transport / general freight and waste management conduct indispensable work that must absolutely be considered essential by the NSW Government.

<sup>1</sup> Department of Primary Industries and Regional Development. (2023). *Essential Worker Partner Employment Support* | NSW Government. [online] [www.nsw.gov.au](http://www.nsw.gov.au). Available at: <https://www.nsw.gov.au/regional-nsw/makethemove/partner-employment>.

<sup>2</sup> NSW Government. (2024). Budget Paper No.01 | Budget Statement. *NSW Budget 2024-25*.



- 4.10 Functionally, there should exist an official definition of what constitutes an “essential worker”; a guideline that would not only outline included professions, but also apply a philosophy and basis for how an industry or occupation may be “essential” in nature. This would best be achieved in collaboration with industry and unions.
- 4.11 Based on current understanding, the TWU gathers that there is only a loose criterion that defines what an “essential worker” is. The TWU makes the following recommendations for the consideration of the Committee:
- That the NSW Government establish and enforce a legitimate definition of “essential worker”, especially if Government initiatives and cost of living relief are to be distributed to workers who are eligible under the classification.
  - Expansion of essential worker definitions with respect to various industries and occupations that may otherwise remain unconsidered – such as critical transport sectors (road transport / general freight, buses, waste management, etc.)
  - That the NSW Government review the methodology of defining essential work, particularly beyond what remains of the COVID-19 context.
  - That the NSW Government works with industry and unions on the above.

## 5. Worker Cohorts and Geographical Areas

- 5.1 NSW is currently facing a housing affordability crisis, where almost 70% of low-income households are experiencing “housing stress” – a figure that increased by 15% from 2022 to 2023. Additionally, three in ten are faced with a situation in which their rent takes up more than half their income; a figure that increased by 32% from 2022 to 2023<sup>3</sup>.
- 5.2 Due to the cost of housing (both property and rent) in inner and eastern areas of Sydney, many individuals and families are left with no choice but to live further away from work. This rings true for transport workers, particularly those in waste management where contracts cover the aforementioned areas.
- 5.3 This is a well-documented reality for essential workers across the board, not just in transport. In recognition of this issue, earlier this year, the Minns Labor Government announced an investment of \$450 million to build new apartments for essential workers to rent at a subsidised rate closer to the city. The intended purpose of this initiative was to build more than 400 new build-to-rent dwellings in the next three years<sup>4</sup>.
- 5.4 However, the initiative specifically highlights the following occupations as the focus of the

<sup>3</sup> NCOSS – NSW Council of Social Service. (2023). *NSW Budget – 2023 – 24 Analysis: Housing and Homelessness*. [online] Available at: <https://www.ncoss.org.au/nsw-budget-2023-24-analysis-housing-and-homelessness/>.

<sup>4</sup> NSW Government. (2024). *New homes, closer to jobs and services for essential workers in Sydney*. [online] Available at: <https://www.nsw.gov.au/media-releases/new-homes-closer-to-jobs-and-services-for-essential-workers-sydney>



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NSW Government's intentions (that remain consistent with the previously mentioned essential worker list) –

- Nurses
- Paramedics
- Teachers
- Allied health care workers
- Police officers
- Fire fighters

5.5 The Minns Labor Government's investment is a very welcome step in the right direction. The subsidised homes that will be delivered in the next three years will support the essential workers that are outlined above. As mentioned previously, the NSW Government should consider other industries and occupations, transport in particular, as "essential" in an official capacity.

5.6 Regarding the prioritisation of worker cohorts and geographical areas, development of essential worker housing should be conducted in the vicinity of specific key industries and subsequent occupations. Naturally, the inner suburbs are a suitable candidate for this, given that the Sydney CBD and surrounding areas are host to a plethora of essential work in various different sectors ranging from health, education, transport and more.

5.7 The creation of further dwellings should be planned in a manner where the relationship between jobs and geographical areas has been assessed in a proactive manner, as opposed to erecting housing without this assessment. For this, a criterion that is used to both select areas for development, as well as which worker cohorts would be prioritised for tenancy, would be beneficial.

5.8 A hypothetical criterion should be established in collaboration between the NSW Government, industry and unions, to determine which worker cohorts should be prioritised in a specific area, as there are unique elements and nuances involved in the context of certain occupations that can only be accounted for properly with the right representation.

5.9 That said, a criterion for tenancy and location should, at the very least, consider the following factors:

- Proximity to key services and facilities – The distance to the workplace, with respect to commuting times and access to public transport.
- Functions of the service – What are the services in question? Are they an immediate, indispensable need? How many members of the local community will directly use / benefit from the service, and how does the service contribute to community function?





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- How do the essential services interact with each other? – Do certain services share a direct relationship, or perhaps rely on one another in some manner?
  - Income Levels – Consider lower-income essential workers, who would struggle with housing costs, and may be compounded with increased transportation costs otherwise.
- 5.10 To allow for higher density housing, the NSW Government has made plans to rezone land near key Sydney transport hubs in its Transport Oriented Development Program (TOD). Through what is functionally a mandate, local councils are required to green-light development applications for apartments under the new policy.
- 5.11 The TOD is a two-tier program – tier one aims to accelerate rezoning for eight specific areas, for the eventual delivery of up to 47,800 new high and mid-rise homes over the next 15 years. Tier two, which focuses on snap rezoning, will apply to 31 locations across NSW, with the goal of creating a further 138,000 new homes within 400m of Metro or suburban rail stations and town centres<sup>5</sup>.
- 5.12 Compulsory acquisition of privately owned, and currently occupied property may be required in some areas where the NSW Government aims to enact its TOD plans. In such an event, the NSW Government must ensure the financial well-being of any citizens who are impacted by compulsory acquisition of their property. Historically, projects such as WestConnex – which involved multiple legal actions and class actions - had resulted in compulsory acquisitions where owners had been priced out of their own suburb, with no further regard for the cost of their relocation on part of the Government.
- 5.13 Regional areas in NSW have also been the subject of interest in facilitating essential work, and providing a means in which individuals and families can effectively live beyond Sydney itself. Many regional NSW towns and council areas are well-equipped to house an increase in population, and possess the underpinnings, infrastructure and land necessary to conduct local manufacturing operations and support essential work in transport, health and education.
- 5.14 From a transport perspective, there are numerous occupations that would be considered essential, particularly in regional NSW. Alongside buses, waste management and general freight, cash in transit is an industry that is often overlooked. However, in the regions, there is still a significant reliance on physical currency. Though there will always be a need for cash in transit, metropolitan or otherwise, NSW's regions are particularly sensitive to the operations of this vital sector.
- 5.15 The TWU would make the following recommendations and feedback on prioritisation of worker cohorts and geographical areas:
- Development of essential worker housing must be carried out in the vicinity of key

<sup>5</sup> NSW Government. (2023). A Shared Responsibility: The plan to begin addressing the housing crisis in NSW | NSW Government. [www.nsw.gov.au](http://www.nsw.gov.au). [online] Available at: <https://www.nsw.gov.au/media-releases/addressing-housing-crisis-nsw>.



industries and subsequent occupations.

- The relationship between jobs and geographical areas must be assessed in a proactive manner, rather than after the fact.
- A criterion should be established for determining the location of essential worker housing, as well as tenancy priority. This should be conducted in collaboration with industry and unions.
- In the event of compulsory acquisitions of property and land, the NSW Government must consider the financial well-being of impacted parties.
- Regional areas should remain a focus of the NSW Government, given that the underpinnings, infrastructure and land necessary to facilitate (and create) essential work already exists in many places.
- The NSW Government should continue to incentivise regional living for essential workers.

## 6. Increasing Housing Supply for Essential Workers

6.1 Part of guaranteeing the sustainability and longevity of essential worker housing is to ensure that contracts are awarded to construction firms who operate in best practice, and have not watered down their own labour standards and material quality through the excessive undercutting of their competitors throughout the tendering process.

6.2 Essentially, the NSW Government should award contracts to operators who have a proven track record of quality work and good labour standards. Construction is a space that suffers from a culture that reflects a degradation of workplace practices. The following examples are just some of the notable experiences of the TWU in its representational history of transport workers in construction:

- Management written enterprise agreements where pay structure is negatively impacted.
- Attempts to reduce superannuation.
- Difficulties in negotiation between employees and the employer.
- Difficulties in negotiation between the TWU and the employer. One particular operator strung out a negotiation process for an in-principle agreement over a 12-month period.
- Poor dispute resolution practices.
- Outright bullying and unethical behaviour from operators towards workers. [REDACTED] locked their truck drivers out of their [REDACTED] and [REDACTED]



sites in [REDACTED] because they took protected industrial actions over pay parity throughout negotiations.

- Companies attempting to profit off wage differences. In one case, regional employees were being paid significantly less per hour in comparison to their Sydney yard counterparts.

6.3 The NSW Government possesses a powerful resource in its own Building Commission, a standalone building regulator that was introduced in December 2023. The goal of the Building Commission is to drive ongoing behavioural change within construction and enhance the quality, durability and safety of buildings across NSW. If anything, the NSW Government's mobilisation of such a regulator is a demonstration that action is needed in construction.

6.4 The NSW Government should establish a set of minimum standards for construction operators, and insert them into the tendering process. By introducing standards throughout procurement, operators who fall short of the requirements in labour and other key areas would not be eligible for the tender; effectively creating a hard barrier of entry to companies who would stoop to underhanded practices.

6.5 Realising a specific policy framework and individual parts would require further consultation between the NSW Government, the TWU and other key stakeholders. However, the minimum standards, at their core, should focus on the following factors:

- The labour standards of the operator
- The quality of the operator's industrial agreements
- Transparency on where the operator sources its materials
- The operator's history of work – a track record

6.6 In summary, the TWU would make the following recommendations on increasing housing supply for essential workers:

- The NSW Government should award contracts to construction operators who have a proven track record of quality work and good labour standards.
- The Building Commission should be armed as an instrument to assess prospective tenderers for Government housing projects.
- Minimum standards should be inserted into the tendering process for Government construction projects in collaboration with relevant stakeholders.

## 7. Conclusion

7.1 The TWU would like to thank the Select Committee on Essential Worker Housing for the opportunity to contribute to the inquiry. This inquiry is a strong step forward in advancing



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housing initiatives for essential workers. The TWU applauds the efforts of the NSW Government thus far, and hopes that the Committee will take the recommendations provided throughout this submission into consideration.

- 7.2 As the union that represents tens of thousands of transport workers, the TWU believes that many workers within the industry are inherently essential in nature – from the waste workers who keep streets clean, to the bus drivers transporting commuters on the network; all the way to the truck drivers keeping supermarket shelves stocked with food and other basic necessities. These critical workers should at the very least be afforded some level of consideration when discussing essential work.