

**Submission
No 60**

OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES

Organisation: Tenant's Union of NSW

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Legislative Assembly Select Committee on Essential Worker Housing
Parliament of NSW
Lodgement via: www.parliament.nsw.gov.au/

Dear Legislative Assembly Select Committee,

Re: Options for Essential Worker Housing Inquiry

We are pleased to provide this short submission in relation to the Committee's inquiry into Options for Essential Worker Housing. The Tenants' Union of NSW is the peak body representing the interests of renters in New South Wales. We are a Community Legal Centre specialising in residential tenancy law, policy and practice. We are also the main resourcing body for and part of the state-wide network of Tenants Advice and Advocacy Services (TAASs) in New South Wales. The TAAS network assists more than 35,000 tenants, land lease community residents, and other renters each year.

This Inquiry is both timely and relevant. Our network is at the frontline of the current housing crisis. Every day advocates talk to renters who are struggling to find or keep their housing - renters are coming to them to raise issues in relation to affordability, security and liveability. The problem of securing a home, and in particular one that is genuinely affordable, is not confined to any particular group of renters, but touches all. In the context of the current housing crisis a steady income and paid work, even for those workers on medium and higher incomes, does not necessarily guarantee a safe, secure, affordable, and liveable home. The practical reality of this means many workers are finding that they are having to live far from their workplaces, or not take up work opportunities because the barriers to appropriate housing are too great.

We understand the inquiry seeks to establish an appropriate definition for essential worker housing, examine the housing challenges faced by essential workers and offer recommendations to address these issues. Towards this our submission outlines key measures, including expanding social housing, strengthening regulation of STRA, diversifying housing options, and enhancing data transparency, to create a housing system that better supports essential workers and our broader communities.

Defining Essential Workers

In Australia, there is currently no consistent definition of 'essential' or 'key' workers. To date, most attempts to list relevant professions focused on public service workers, including teachers, nurses, police and fire and emergency personnel. Most countries included activities safeguarding access to food, water, electricity, sanitation and healthcare, and ensuring public order.

The COVID pandemic generally reshaped our definition across Australian jurisdictions, creating circumstances leading to the assessing and expanding of the list of professions considered 'essential'. Although the identified occupations generally covered a wide range of roles – from emergency medical technicians to postal workers to food vendors – they shared the common attribute of engaging in a profession that served the fundamental needs of societies and facing a greater risk during the pandemic of exposure to and illness from the virus by the mere action of leaving the safety of their home to perform their work.

Research from the [Australian Housing and Urban Research Institute \(AHURI\)](#) highlights that during the pandemic, many essential workers in cities like Sydney and Melbourne faced significant challenges in accessing housing close to their workplaces. Over one-third of key worker jobs are concentrated in inner subregions of these cities; however, only a small proportion of these workers live in those same areas, leading to long commutes and additional burdens.

Demographics of Essential Workers

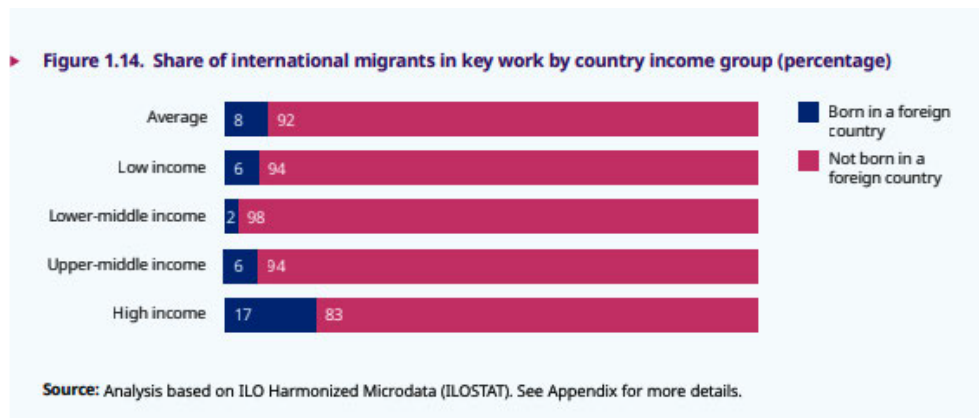
Research undertaken by the [International Labour Office \(ILO\)](#) shows that in high-income countries like Australia, most essential workers are employed on contracts and are primarily in the private sector. Notably, the demographics of essential workers are diverse. In sectors such as health and retail, women constitute the majority of the workforce (66% and 58% respectively), while sectors like security and transport have fewer women.

Additionally, many essential workers are international migrants, comprising 20% of the workforce in high-income countries. There is a heavy reliance on international migrants to perform key services in occupations like agriculture and cleaning and sanitation

► **Figure 1.11. Sex of key workers by occupational group, percentage average across countries**



Source: Analysis based on ILO Harmonized Microdata (ILOSTAT). See Appendix for more details.



Our recommendation: A Very Broad Definition of Essential Workers and System-Wide Housing Reforms

We support adopting the broadest possible definition of ‘essential workers,’ encompassing all roles necessary for societal functioning both in everyday and crisis scenarios. This definition should be inclusive of all professions that ensure public welfare, safety, and access to basic needs.

Ensuring access to affordable, stable, liveable housing for workers is best done by generally improving the health of our housing system.

In certain regional and remote areas, specific and targeted interventions or resourcing by government may be required to ensure appropriate housing is available for specific skilled workers. This is a part of the fundamental responsibility the government has for maintaining essential services, and in particular where markets even outside of a housing crises generally have been shown to fail to deliver. Government policies may need to consider housing for essential workers as a critical part of regional development and infrastructure planning. This provision of housing should be treated as a separate program to more general aim of ensuring essential workers can find housing that is affordable to them.

Delivering housing for essential workers should otherwise generally be part of a comprehensive approach to addressing the broader housing crisis and improving the overall health of our housing system. This approach must consider the following key measures:

- **A significant expansion of social housing is required**
 Limited new affordable housing being delivered into the system, alongside rising demand, has driven up rental prices significantly. To tackle this, governments must prioritise expanding social housing. This not only eases pressure on the private rental market but also acts as a safety net for those struggling with housing costs. Importantly, provision of ‘non-market’ housing actually provides positive pressure on market housing by introducing real competition and higher standards. The private market in this context is challenged to do better, especially at the lower ends of the market. Regrettably, Australia’s share of social housing stock has consistently decreased in recent decades.

Social housing should be recognised as a fundamental segment of the overall housing stock. To achieve this, we recommend the NSW government sets themselves a target of at least 10% of all housing to be public or community housing by 2036, and commits the resourcing and investment required to meet this target.

- **Planning reforms considered should include stronger regulations on short-term rental accommodation (STRA)**

Reforms to strengthen STRA regulation should include day caps and local council authority to adjust these caps based on local impacts. Additionally, we recommend removing land tax thresholds for STRA properties, and properties that are vacant properties. A levy should also be applied to all empty homes or short-term rental accommodation premises.

Any additional revenue generated should be used to fund housing and homelessness supports, with a focus on the broad range of organisations providing direct frontline support and advocacy to people our housing system has failed to provide with safe, secure homes.

- **Introduce rental reforms to strengthen regulation of rents and security of tenure**

Renters over the past 18 months have experienced, and continue to face unsustainable rent increases, with rental hikes outpacing wages. Reforms are needed by the NSW Government to stabilise rent prices. Setting fair limits and stronger protections against excessive rent increases is a crucial, timely intervention that can help address the housing insecurity and financial stress the increased unaffordability of rents is creating. We note the NSW Government is already in the process of implementing reforms to remove the ability to evict for 'no-grounds' to improve stability and better protect against arbitrary and unfair evictions.

- **Expand the Community Land Trusts (CLTs) and Cooperative Housing sector**

The NSW Government should explore ways to support the expansion of the CLT and Cooperative Housing sector, including providing funding and resources for land acquisition, construction of new homes, and the purchase of existing housing. An expansion of the sector would diversify currently available housing options, especially non-market housing options, that also have capacity to address local and specific needs and empower individuals to actively participate in decision making about their homes, and the communities they are a part of.

- **Data Collection and Transparency**

Private rental policy areas in particular suffer from misalignment across funding, governance, and implementation. One of the biggest problems for policy debate in relation to the rental housing system is the lack of authoritative data upon which decision makers and analysts can draw to inform solutions and policy development. There is a critical need for improved data collection and accountability structures to monitor the impact of policy interventions.

Conclusion

A broad definition of essential workers, coupled with system-wide reforms to address the housing crisis, is crucial to ensuring that *all* essential workers have access to homes that are genuinely affordable and suit their needs. This is vital to maintaining the essential services that underpin the well-being and functioning of our society.

The NSW Government must adopt a strategic approach that includes investment in and expansion of social housing, STRA reforms, diversifying our housing options, rental reforms to stabilise rents and strengthen security, and strong data collection and transparency measures to create a healthy housing system that meets the needs of everyone across our communities.

For more information on this submission, contact Jemima Mowbray, Policy and Advocacy Manager, Tenants' Union of NSW via [REDACTED]