

**Submission
No 48**

OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES

Organisation: Tamworth Regional Council

Date Received: 13 September 2024

The Hon Alex Greenwich, Chair
Select Committee on Essential Worker Housing
Macquarie Street
SYDNEY NSW 2000

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Dear Mr Greenwich

TAMWORTH REGIONAL COUNCIL SUBMISSION – INQUIRY BY THE LEGISLATIVE ASSEMBLY SELECT COMMITTEE ON ESSENTIAL WORKER HOUSING

Ref: *lr/cf/AS/GV Document Set ID 2344484*

Tamworth Regional Council commends the NSW Parliament on the establishment of this Committee and appreciates the opportunity to provide a submission.

Tamworth Region - housing situation

Housing in all forms is of critical importance to the Tamworth Region, with the *New England North West Regional Plan 2041* and *Tamworth Regional Housing Strategy 2024* forecasting an average total of 5,432 dwellings needing to be delivered in the Tamworth Regional Local Government Area between 2021 and 2041. To address this housing need, Council's focus is to facilitate smart residential growth and housing choices in accordance with Council's strategic vision, *Blueprint 100: Part 2: Local Strategic Planning Statement 2020*. The attached data from the National Institute of Economic and Industry Research also demonstrates that the Tamworth region experiences significant growth in employment areas traditionally considered essential, particularly 'Health Care and Social Assistance'.

Noting the positive implications of this Inquiry, Tamworth Regional Council also seeks to ensure that the delivery of essential worker housing is balanced against the broader housing needs of the community. This is reflected below in the response to the Terms of Reference of this Inquiry.

Appropriate Definition for Essential Worker Housing

No consistent definition exists for 'essential worker', with this term often interchangeable with 'key worker' or 'frontline worker'. Furthermore, a broad range of trades and professions, employed in both the public and private sectors, can be deemed "essential". This can include, but is not necessarily limited to; health care, aged and social assistance, agriculture / food production, education, transport, logistics, public administration and safety.

Due to the difficulties in establishing a universally accepted definition of an essential worker, it is suggested that relevant workers could be identified in two ways:

- State essential workers:
 - generally accepted occupations and professions such as health, education and emergency services, which would apply across NSW; and

- local government workers, on the basis that many Councils, particularly those in rural and regional areas, struggle to secure and retain both skilled and unskilled workers. It would therefore be appropriate to consider local government staff as essential workers. This would be consistent with previous government policy, noting that local government workers were defined as essential workers during the Covid 19 pandemic.
- Key local workers - each Council could work with their communities, businesses and housing providers to identify the key workers in the LGA (in addition to State essential) most affected by housing availability and affordability. Relevant categories of Key local workers could then be reviewed periodically based on emerging needs and shortages.

Options to Increase Housing Supply for Essential Workers

It must be stressed that options for increasing the supply of housing for essential workers must not be considered in isolation. In the current housing shortage, redirecting already limited resources towards essential worker housing may come at the expense of supplying critical housing for other sections of the community. For example, the *Tamworth Regional Housing Strategy 2024* identifies that 1,150 (4.9%) of are already in need of affordable housing in the Tamworth Region and available rental housing for all income groups remains in significantly short supply.

Despite the above, Council provides the following comments for consideration:

- A number of reforms relevant to housing and workers accommodation have been commenced by the NSW Department of Planning, Housing and Infrastructure. This includes a “Temporary and Seasonal Workers’ Accommodation Toolkit and “Improving the regulation of manufactured homes and estates, caravan parks and camping grounds”. Timely completion of these, and future housing reforms, would be beneficial;
- Currently, private developers are not incentivised to build affordable rental housing as they do not provide a very high return on investment, especially in rural areas. Affordability is a significant constraint for most categories of essential workers and the absence of developers willing to build affordable options for rental is unlikely to change without significant government subsidies;
- It is recommended that surplus government land, located in or adjacent to urban areas, and be identified and developed for affordable housing, inclusive of essential/key workers;
- Public /private partnerships between government and the development industry should receive greater encouragement with a variety of partnership arrangements made available;
- Any incentives/ funding for developers to encourage the construction of affordable essential worker housing should be subject to that housing being retained for that purpose in perpetuity, or for a minimum period of 30 years, with an appropriate restriction noted on the land title;
- Despite the rhetoric, numerous studies have confirmed that Council fees and charges, including developer contributions, play a very minimal part in the cost of developing housing. Focus should instead be directed at government charges and the negative impact of bank fees, interest rates and restrictive loan practices; and
- The role of the federal government in influencing the delivery of essential worker housing should not be excluded, as essential worker housing (or the lack of such) for industries such as food production and renewable energy infrastructure as examples, have implications beyond state borders as well as Australian export markets.

Should you require any further clarification on the matters raised in this submission please do not hesitate to contact the undersigned on (02) 6767 5421.

Yours faithfully



Gina Vereker
Director – Liveable Communities

13 September 2024

Reference Documents:

Tamworth Regional Housing Strategy 2024

<https://haveyoursay.tamworth.nsw.gov.au/housing-strategy>

Council's *Blueprint 100: Part 2: Local Strategic Planning Statement 2020*

<https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/blueprint-100>

Tamworth Regional Council	2022/23			2017/18			Change
Industry	Number	%	New South Wales	Number	%	New South Wales	2017/18 - 2022/23
Agriculture, Forestry and Fishing	1,704	5.2	1.9	1,771	6.2	2.1	-67
Mining	64	0.2	1.0	74	0.3	1.1	-9
Manufacturing	2,681	8.1	5.9	2,306	8.1	7.0	+375
Electricity, Gas, Water and Waste Services	476	1.4	1.1	306	1.1	1.0	+170
Construction	3,418	10.4	9.5	2,432	8.5	9.4	+986
Wholesale Trade	664	2.0	3.0	893	3.1	3.4	-229
Retail Trade	3,518	10.7	9.4	3,188	11.1	9.7	+330
Accommodation and Food Services	2,316	7.0	6.5	1,997	7.0	6.7	+319
Transport, Postal and Warehousing	1,364	4.1	5.2	1,495	5.2	5.3	-131
Information Media and Telecommunications	209	0.6	2.1	328	1.1	2.5	-119
Financial and Insurance Services	654	2.0	5.4	544	1.9	4.9	+109
Rental, Hiring and Real Estate Services	393	1.2	1.7	360	1.3	1.8	+33
Professional, Scientific and Technical Services	1,182	3.6	10.0	1,155	4.0	9.5	+28
Administrative and Support Services	932	2.8	3.1	932	3.3	3.2	+0
Public Administration and Safety	1,901	5.8	6.0	1,674	5.8	5.5	+226
Education and Training	2,899	8.8	8.3	2,607	9.1	8.4	+293
Health Care and Social Assistance	6,513	19.8	14.8	4,950	17.3	13.1	+1,563
Arts and Recreation Services	499	1.5	1.6	404	1.4	1.8	+96
Other Services	1,515	4.6	3.5	1,235	4.3	3.7	+280
Total industries	32,905	100.0	100.0	28,651	100.0	100.0	+4,254