

**Submission  
No 53**

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

**Organisation:** Mid-Western Regional Council

**Date Received:** 13 September 2024



MID-WESTERN REGIONAL COUNCIL

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## Office of the General Manager

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13 September 2024

Alex Greenwich MP, Chair  
Select Committee on Essential Worker Housing  
NSW Legislative Committee  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000  
[@essentialworkerhousing@parliament.nsw.gov.au](mailto:@essentialworkerhousing@parliament.nsw.gov.au)

Dear Mr Greenwich

### **SUBJECT: Select Committee on Essential Worker Housing in New South Wales**

Mid-Western Regional Council strongly supports the inquiry into the options for Essential Worker Housing in New South Wales.

The Mid-Western Region is experiencing increased worker shortages across critical sectors such as education, medicine, emergency services, healthcare, and other frontline services. We have specific instances where recruited high school teachers have chosen not to relocate to Mudgee due to the prohibitive cost of rental housing. This issue has had a direct impact on local schools, medical facilities, and key industries, all of which are experiencing significant workforce shortages. Housing availability and affordability are the primary reasons candidates decline positions in our region, and addressing this challenge is crucial to ensuring the region can attract and retain essential workers.

Additionally, the Mid-Western Region is at the centre of the Central-West Orana Renewable Energy Zone (CWO REZ), the first of its kind in New South Wales. As a pilot project for expediting renewable energy development, the region has been at the forefront of learning and adapting to the impacts of this rapid expansion. This growth further underscores the urgency of addressing housing needs to support both current and future workforce demands in this evolving landscape.

Due to the region's dedication as part of a CWO REZ, the Mid-Western Region has experienced an influx of State Significant Development (SSD) construction workers, two SSD projects saw a workforce peak of over 850 people. The experience in the region saw rental prices grow by 19% from an average of \$619 to \$737 per week. This placed greater pressures on housing affordability in the region and those most impacted were essential workers. Importantly, this recent experience represents only a small fraction of the anticipated influx of

workers into the Mid-Western Region, further highlighting the critical need for housing solutions.

In January 2024, Council published the report Managing the impacts of State Significant Development available here - [mwrc-managing-the-impacts-of-ssd-final-v.01.pdf \(nsw.gov.au\)](#), which details the growing demand for services as a result of this population influx. Information provided by project proponents indicate a peak workforce need of approximately 7,010 in 2026 with between 6,115 and 6,500 likely to come from outside of the Mid-Western Region Local Government Area, an increase of around 30%. These workers will place additional strain on essential services, further increasing the need for essential workers to support them.

When considering that some workers may bring spouses and families, the total additional population due to SSD projects is estimated to peak at 9,906 people by 2026, comprising 66% workers and 34% spouses and families. At this time, the report forecasts the region will face a shortage of 1,515 dwellings, exacerbating the already critical need for affordable housing solutions.

Council supports the committee investigating planning tools and resources to increase essential worker housing. These planning tools and resources should include the ability for local government to be flexible with tools tailored at a local level. Consideration of limited planning staff in regional areas should also be a consideration.

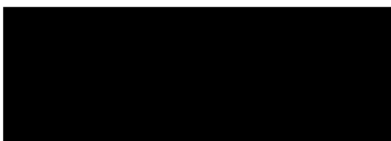
The committee should explore opportunities and mechanisms to include essential worker housing in areas with limited government-owned land. It is also crucial to account for regions where significant population peaks will take place as well as predicted populations declines due to shifting economies conditions, such as a downturn in the coal mining industry.

Mid-Western Regional Council should be prioritised for future planning initiatives and engagements due to the impending significant impacts on the region as part of a CWO REZ. Council would welcome the opportunity to meet with Committee Members to discuss current and future challenges supporting Essential Workers into regional NSW.

Finally, I would like to highlight Council has recognised Essential Worker Housing as a critical concern. Currently there is an active Development Application under assessment to construct and operate an Essential Worker Housing solution in Mudgee. This includes the construction of forty-seven (47) dwellings comprising a total of 103 bedrooms. The development will offer a mix of studio, 1-, 2- and 3-bedroom options across the 1.67-hectare site. Council has invested over \$2.5 million to date into this project and is actively seeking government support to assist with the construction costs. Unfortunately, Council have been unable to secure any State or Commonwealth funding to support this essential development.

If you need any further information or clarification in relation to the above, please contact Sarah Armstrong, Manager Strategic Planning, on telephone [REDACTED]

Yours sincerely,



BRAD CAM  
GENERAL MANAGER