

**Submission  
No 80**

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

**Organisation:** Uralla Shire Council

**Date Received:** 13 September 2024



13 September 2024

Alex Greenwich MP

Chair, NSW Legislative Assembly Select Committee on Essential Worker Housing

By email: [essentialworkerhousing@parliament.nsw.gov.au](mailto:essentialworkerhousing@parliament.nsw.gov.au)

Dear Mr Greenwich,

## **SUBMISSION TO THE LEGISLATIVE ASSEMBLY SELECT COMMITTEE ON ESSENTIAL WORKER HOUSING**

Uralla Shire is a small Local Government Area in the New England region covers an area of approximately 3,230 square kilometers and is located on the New England Highway equidistant from Sydney and Brisbane. Armidale to our north and Tamworth to our south, are our nearest regional centres. Uralla's population is about 6000. In the absence of commercial operators, the Uralla Shire Council manages and operates several community services operations across the shire.

### **Definition of Essential Workers in Uralla Shire**

One way to define an essential worker, based on our local experience, is as someone whose absence would leave essential and critical needs unmet, such as care, safety or education needs. These unmet needs impact quality of life and often impose a risk to life.

In Uralla Shire one such group of essential workers are Registered Nurses (RNs). RNs deliver various essential clinical services including in-home home care and clinical care in residential facilities. Uralla Shire Council owns and operates McMaugh Gardens Aged Care facility to provide a local care solution for ageing residents, especially for individuals who can no longer live independently on rural properties.

Under the new Aged Care Act, the Aged Care Quality Standards have been strengthened and effective 2024 there must be a registered nurse on duty at all times. Additionally, the facility needs to expand by 14 beds to meet future demand and remain viable. Ensuring adequate staffing has become a critical issue. Attracting and retaining RNs is difficult in regional areas, where many nurses opt for agency roles offering higher pay over permanent positions. This shift has left McMaugh Gardens increasingly dependent on temporary and short-term staff, many of whom are international or temporary visa holders without access to personal transport. The absence of public transport in Uralla further complicates this situation. To attract RNs the Council includes accommodation in the remuneration however paying market rates (in a rural town with limited vacant accommodation) for short term

accommodation is a significant cost for a small regional council with only 3000 rate payers and significant overheads.

#### Housing Solutions for Essential Workers

In 2023, Council sought grant funding to install prefabricated modular cabins as dedicated staff accommodation near McMaugh Gardens. This accommodation, located at a Council-owned caravan park within walking distance to the facility, would support essential workers. Unfortunately, the grant was unsuccessful, and the project remains unfeasible without external support.

Council is now exploring partnerships with Community Housing Providers to develop social and affordable housing on Council-owned land. While Council has the land, the project's viability hinges on securing Commonwealth funding (e.g. HAFF) or State funding (e.g. DCJ SHAF). Additionally, there is a funding gap for preliminary works, including concept planning and technical reporting, which are necessary to make the project 'shovel ready' and competitive for capital grants. Council is also investigating the option to purchase three newly built one-bedroom units from a private seller to ensure immediate accommodation is available for essential workers.

#### Broader Issues Impacting Essential Workers

Uralla's challenges reflect broader trends of housing affordability and gentrification. Speculative investment in local properties has driven up rental prices without corresponding improvements in housing stock. Investors, often from outside the community, are incentivized to 'meet the market,' resulting in increased rents but no expansion or refurbishment of the housing supply. This has led to the displacement of lower income tenants and reduced affordable housing options for essential workers.

A mechanism that shifts private investment incentives towards the development of new housing stock could help alleviate this pressure. For example, changes to Commonwealth Capital Gains Tax (CGT) and negative gearing provisions that shift investor focus toward new builds or the refurbishment of existing housing. Similarly, reductions to State land tax thresholds and the introduction of vacant residential land taxes, as seen in Victoria, could reduce the number of vacant and/or underutilised homes.

Uralla is a focal point for worker accommodation for the New England Renewable energy Zone. This is due to its accessibility within 45minute drive time of planned transmission corridor and energy hubs. While significant work is being undertaken by EnergyCo and the Department of Planning to address housing needs, there is growing concern that workers on large-scale renewable energy projects may exacerbate competition for the already limited housing stock, further reducing accessibility for essential workers.

#### Barriers to Housing for Essential Workers in Uralla

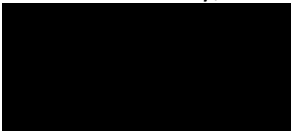
Several barriers impede housing access for essential workers in Uralla. Firstly, the availability of private rentals is limited, particularly in a low-land value market with historically low population growth. Like many small rural towns, most new housing is built for owner-occupiers and the small market size deters more sophisticated developers from operating here.

Uralla's housing market is closely linked to that of Armidale, with many residents commuting between the two. However, the lack of public transport options, such as taxis or bus services, creates significant challenges for essential workers without private transport. This is particularly true for our RNs working night shifts, who cannot reside in Armidale due to transportation barriers.

Finally, while Council owns a small number of housing units, these are currently rented to elderly pensioners. Reallocating this housing to essential workers would require displacing vulnerable residents, an outcome Council is committed to avoiding.

We hope that this information may be of assistance to the Committee.

Yours Sincerely,



Dr Romane Abell  
**Director of Corporate & Community**  
**Uralla Shire Council**

\*\*\*\*\*

**Council Officer:** Emily Sims  
**Telephone:** 02 6778 6300  
**Email:** 