

**Submission
No 92**

OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES

Organisation: Walgett Shire Council
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Partially
Confidential



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17 September 2024

Alex Greenwich MP
Chair
Legislative Assembly Select Committee on Essential Worker Housing

Dear Mr Greenwich,

RE: SELECT COMMITTEE ON ESSENTIAL WORKER HOUSING

Walgett Shire Council (WSC) is the local government entity, tasked with the administration of community services, economic development and asset management for the region. WSC would like to congratulate the Legislative Assembly Select Committee on Essential Worker Housing for focussing attention on the need for urgent remediation of housing supply in regional and remote NSW and in particular on the impacts the lack of housing has on essential services and the workforce required to facilitate such.

Walgett Shire is located in the Outback Region of NSW along the banks of the Barwon and Namoi Rivers. The Shire comprises several towns and villages; Walgett, Lightning Ridge, Collarenebri, Burren Junction, Carinda, Rowena, Pokataroo, Cumborah, Cryon and Come-by-Chance, Grawin, Glengarry and Sheepyards and covers an area of approximately 22,000 square kilometres. The Walgett Shire population is close to 6000 with an Aboriginal & Torres Strait Islander component of 29% ([Your council website 2024](#)).

As determined by the Select Committee Terms of Reference, Walgett Shire Council submits the following answers:

(1) That the Committee inquire into and report on options for essential worker housing in New South Wales, specifically:

(a) Establishing an appropriate definition for essential worker housing for the NSW Government to adopt including criteria for prioritising worker cohorts and geographical areas.

An essential worker in Australia is not currently defined across government, however during the Covid-19 crisis, essential worker categories were defined as "essential to the functioning of society without which public safety, health, or welfare would be endangered or detrimentally affected ([Coulson 2024](#))."



During this time, categories typically included:

- (1) Healthcare workers and carers
- (2) Emergency services providers
- (3) Food security, both retail and production
- (4) Utility workers, energy and fuel
- (5) Transport and logistics
- (6) Public works
- (7) Education and social care workers
- (8) Broadcasting, media and telecommunications

WSC agrees the above categories be deemed essential to the safety and wellbeing of its community and suggests that essential worker housing integrate the above workforce into its definition.

Prioritisation is difficult to quantify, however the above list is numbered in order according to how WSC may consider a framework for the criterion of priority for essential service providers in a crisis. Priority of essential workers from an ongoing service delivery model outside of a crisis may be prioritised differently.

From the perspective of the Walgett Shire Council, we believe priority should be created on a 'needs base analysis' model. For example, Walgett Aboriginal Medical Service Co-operative (WAMS) has reported the dire need for doctors and social worker accommodation to attract appropriately skilled workforce to the region and so has resorted to purchasing and developing their own properties. WSC believes the more remote the region, the higher the need to urgently address the supply of housing to attract essential workforce into the region.

As an example, in Lightning Ridge, there continues to be, two open Youth Engagement Officer roles with the PCYC which severely limits the necessary supports for our vulnerable young people.

(b) Identify options to increase housing supply for essential workers, including but not limited to:

(i) planning tools and reforms

- (a) WSC has unique planning restrictions given the vast Crown Lands under its management. As per the suggestion in (iii) below, Crown Lands collaboration with other government and non-government entities to fast-track approvals and the development of services infrastructure is required.
- (b) The WSC LEP is a 2013 document, in need of review. With the review, rezoning would enable 'locked' land holdings to be activated.
- (c) Smaller minimum lot sizes in the revised LEP would also enable smaller single-dwelling residential developments in the Shire. Currently the minimum block size for Walgett and Lightning Ridge is 500m², while in Collarenebri it is 700m², with the rest of the LGA remaining at 2000m². The town centres could be reduced to 350m² providing the opportunity for appropriately sized essential worker accommodation.



Shire of Walgett

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- (d) 80% of land in this region is flood prone leaving limited land for residential development purposes.
- (e) With companies such as the below promoting the benefits of investing in short-term holiday rentals, the volume of long-term rental properties will continue to fall with landlords seeking the highest return on investment possible.

Instagram

RENTING vs AIRBNB

Property Type	Location	Rent (Per Week)
Property for Rent	Property for Rent	Average Rent: \$570 (Per Week)
Airbnb Rental	Edithvale 1+2 Queens, Australia	Airbnb Rent: \$4,152 (Per Week)

Learn Why Airbnb Is A Superior Investment Strategy In Australia!

[Learn more](#)

The code to property investing has been cracked...

And it's all thanks to AirBnB.

(ii) incentives for developments on privately owned land

WSC would like to encourage the Legislative Assembly Committee to consider incentives for private developers in the following ways:

- (a) Tax deductions (carrot) or the opposite, additional taxation (stick) to activate developments on land banking for essential worker accommodation.
- (b) Capital gains tax incentives for nominating a certain percentage of a development as essential worker housing.
- (c) Similarly to the affordable housing bonuses for new developments, height and floor space ratios could be provided in developments that include a certain percentage of essential worker accommodation.

(iii) opportunities within developments on government owned land



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- (a) WSC wishes to highlight the pilot in Snowy Monaro Regional Council (SMRC) town of Cooma as a model for successful and speedy delivery of a masterplan, accompanying services and build ready sites. This collaborative of the NSW Land and Housing Corporation (LAHC), Crown Lands, NSW Aboriginal Land Council, Merrimans Local Aboriginal Land Council and Snowy Monaro Regional Council, opened capacity for 300 homes and could be copied for essential worker accommodation developments ([DPIE 2023](#)).
- (b) WSC would be a willing partner in a collaborative project as above. There are various NSW government owned vacant sites and empty houses that could be activated. The properties need to be properly audited, scoped, invested in and managed.

(iv) investigate reforms that promote fiscal sustainability, innovation and essential worker housing in-perpetuity

- (a) Long term provisions are needed to guarantee future sales of the property remains within essential worker housing stock. The precedence (and legislation) of the over 55's and affordable housing development categories can be used to achieve this.
- (b) As exemplified above, if private investment in short term accommodation is allowed to progress unrestricted, then landlords seeking the highest returns, especially on properties purchased in self-managed super funds, will continue to focus funds that way, further decimating the long-term rental market. Restrictions in the volume of short-term accommodation approved in a region, or limiting the saleable nights per year may be required to create equitable access to rental properties.

(v) other related matters.

- (a) Housing designs for essential worker accommodation must be carefully considered. As an example, the sharing of properties for multiple workers must include personal spaces for each resident with an ensuite included for each bedroom (two masters) with communal social spaces. This would enable privacy while mitigating the potential effects of social isolation or loneliness, an important factor to consider in regional and remote location postings ([AIHW 2024](#)).
- (b) WSC would like to point the committee to the NSW Housing Strategy Action Plan 2021-22 which details specific targets to meet the housing needs of our state as a whole ([Planning NSW 2022](#)). This document was derived after the Findings Report of the Regional Housing Taskforce was handed down ([Planning NSW 2021](#)) and it is disappointing that the work to create these documents has not converted into solutions being delivered on the ground in the regions most in need.
- (c) WSC would like to suggest that the NSW Affordable Housing Ministerial Guidelines 2023-24 ([NSW Affordable Housing Ministerial Guidelines 2023-24 | Family & Community Services](#)) could be used as a framework for the development of an essential workforce housing strategy. Alternatively, the definition of affordable housing could be extended to include 'essential worker housing', as this cohort is in the greatest need of focus for



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regional communities such as Walgett Shire, to continue to deliver the basic services the community needs to remain healthy and safe.

- (d) WSC is a remote, outback location which like the rest of regional Australia is suffering from price creep in the property market causing locals to be priced out of the towns they grew up in and essential workforce, unable to afford to rent or purchase. Basic properties in Walgett are being priced at the half a million dollar mark ([63 Montkeila Street, Walgett, NSW 2832 - House for Sale - realestate.com.au](https://www.realestate.com.au/property/house/63-Montkeila-Street-Walgett-NSW-2832)) and with weekly wages considerably lower than the state average of \$1935.70 at just \$541.75, this trend will only continue.
- (e) With the regional NSW rental vacancy rate now sitting at 1.24% and falling, as shown in the table below and the actual vacancy rate for Walgett Shire being 0%, there is literally nothing available to rent in the region, and very little to purchase.

TOTAL NUMBER OF HOMES FOR RENT			
REGIONAL NSW	1.24%	▼	0.13%
REGIONAL VIC	1.10%	▼	0.11%
REGIONAL QLD	1.17%	▼	0.11%
DARWIN	0.93%	▼	0.11%

PROPTRACK
MONTHLY CHANGE ON RIGHT

I would be happy to provide further information or evidence to the committee if requested.

Kind regards,



Megan Dixon
General Manager
Walgett Shire Council