

**Submission  
No 95**

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

**Organisation:** New South Wales Nurses and Midwives' Association

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**SUBMISSION BY THE  
NSW NURSES AND MIDWIVES' ASSOCIATION**

# **Legislative Select Committee on Essential Worker Housing**

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**11 OCTOBER 2024**



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This response is authorised by the Elected Officers of the New South Wales Nurses and Midwives' Association.

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## Introduction

1. The New South Wales Nurses and Midwives' Association (NSWNMA) is the industrial and professional body for nurses and midwives in New South Wales, representing over 77,000 members across the full spectrum of health care services in NSW, including public and private hospitals, midwifery, corrective services, aged care, disability, and community settings.
2. NSWNMA strives to be innovative in our advocacy to promote a world class, well-funded, integrated health system by being a professional advocate for the health system and our members. We are committed to improving the quality of all health and aged care services, whilst protecting and advancing the interests of nurses and midwives and their professions.
3. We work with our members to improve their ability to deliver safe and best practice care, fulfil their professional goals and achieve a healthy work/life balance.
4. Our strong and growing membership and integrated role as both a trade union and professional organisation provides us with a complete understanding of all aspects of the nursing and midwifery professions and see us uniquely placed to defend and advance our professions.
5. Through our work with members, we aim to strengthen the contribution of nursing and midwifery to improving Australia's health and aged care systems, and the health of our national and global communities.
6. The NSWNMA welcomes the opportunity to provide feedback to the Legislative Assembly Select Committee on Essential Worker Housing in relation to an appropriate definition of essential worker housing for the NSW Government to adopt, as well as identifying options to increase housing supply for essential workers.

## Foreword

7. The need for essential worker housing in NSW is critical. When we last contacted our members and asked them to share their experiences of the housing crisis, we were not expecting to hear from 13 nurses and midwives who were employed in the NSW health system and homeless at the time they responded to our survey. Nor were we expecting to hear that there are nurses currently living in their cars while employed in NSW hospitals.
8. Large scale essential worker housing can be found in jurisdictions around the world to ensure that workers are part of the communities they serve. It is time for NSW to halt the exodus of essential workers and ensure the viability of services by making it possible for workers to live in reasonable proximity to their workplaces.
9. This is a problem that will not be solved overnight. As essential worker housing stock becomes available, it will be necessary to prioritise access. Our view is that for a range of reasons, nurses and midwives represent a cohort for whom access to essential worker housing is urgent and provision will support the provision of high-quality healthcare services, benefitting the entire community.

10. It is also our view that the link between family violence and housing affordability should not be overlooked. NSWNMA represents a segment of the workforce that is 90% female. We welcome recent announcements that will increase the availability of emergency housing for woman and children fleeing violence but we make the point that crisis accommodation is the tip of the iceberg. We believe that access to essential worker housing could have a profound impact on the safety of many nurses and midwives across NSW who are forced to remain in harmful domestic situations in order to avoid housing insecurity for them and their children.

## Summary of Recommendations

- i. That for the purposes of essential worker housing, essential workers should be defined as those that have a direct role in providing key services that the people of NSW rely on, including the provision of care and education, public safety, transport and utilities. Our view is that essential worker housing should target key workers who cannot afford to rent or buy a home that meets their needs in the private market but are also ineligible for other forms of social housing.
- ii. Access to housing should be prioritised in a way that reflects local needs and existing workforce shortages that can and do impact on service delivery.
- iii. Shift workers, on-call or emergency responders and other workers who manage fatigue should have prioritised access to housing within reasonable proximity to workplaces.
- iv. NSWNMA calls for planning laws to include a significant increase in mandatory inclusionary zoning in areas where there is predicted high demand for essential workers.
- v. The NSWNMA supports significant investment by the government in housing development, through Landcom and other bodies. In the development of government land, the first priority should be to continue to work to create sufficient social housing to support vulnerable members of the community.
- vi. The next priority of development on government land should be to develop housing in identified areas of high demand for essential workers to provide housing that is specifically targeted for essential workers. Specifically, government can prioritise housing types which are less-frequently developed by the private market including larger family units or townhouses adjacent to regional hospitals. These projects should be specifically targeted at sites within walking distance of public hospitals and other essential workplaces.
- vii. To facilitate appropriate returns on build-to-rent investments, we recommend land tax and stamp duty relief for essential worker housing developments.
- viii. NSWNMA has reviewed the McKell Institute's submission to this Inquiry and we support the ideas presented in that document for easing the housing burden for essential workers.

## How is housing unaffordability affecting NSW nurses and midwives?

11. Housing affordability is a critical issue for nurses and midwives across NSW. NSWNMA has conducted a number of surveys with our members to understand the dimensions of this issue over the last 8 years. Our most recent 2023 survey<sup>1</sup> confirms that housing affordability is a major concern for the members who responded that it is intensifying over time and that while it is more acute in metropolitan areas, it is a statewide issue.
12. We looked at results from our 3 surveys (2017, 2021 and 2023) to identify discernible trends if possible. In terms of how significant a factor housing affordability is in deciding where they want to work, there was an upward trend: in 2017 88% of respondents reported that housing affordability is an important or very important consideration, it was 89% in 2021 and in 2023 it 90%. The number of respondents who reported having changed jobs to access affordable housing in 2017 was 36%, in 2021 it was 29% and in 2023 it was 30%. It should be noted that the pandemic which would have had a significant impact on factors such as affordability, availability, and willingness to relocate.
13. Key findings from the 2023 survey:
  - 37% respondents were owners &/or paying mortgage & 50% renters
  - 9 respondents were homeless and 47% were worried about losing their place to live in the future meaning that over half the respondents were experiencing housing insecurity.
  - 2 respondents reported living in their cars with dependent children.
  - Over 80% drive to work with 47% respondents spending an hour or more travelling for each shift (i.e., return trip).
  - Over 30% of respondents live 20km or more from their workplaces.
  - 69% of the respondents to this survey indicated that they are currently experiencing rental stress (i.e., over 30% of income on rent and difficulty paying other expenses)
  - 76% respondents indicated that lack of affordable secure housing is a problem for them
  - 90% want to live near their workplace and access to affordable housing influences their employment decisions.
  - 30% had previously left employment to access more affordable housing.
14. Nurses and midwives should be able to access decent quality, affordable housing that is suitable for their needs, including within reasonable proximity to work. Proximity to work is particularly relevant to nurses and midwives because of the nature of their working patterns, including shiftwork and the need to cover overtime and emergencies.

*Key worker jobs require physical presence. They can also be physically demanding and performed over long shifts, during anti-social hours and in high stress situations. Housing stress and insecurity and long commutes can exacerbate the stress and fatigue that is already inherent in many key worker jobs, with implications for service quality, workplace health and safety and the*

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<sup>1</sup> Methodology: This survey was distributed to all our members, and we received responses from just over 3000 respondents. This survey did not include a specific question asking the respondent to indicate if they were living in a metropolitan or non-metropolitan area. Respondents were asked their postcode and 2027 provided one. The postcode information has been analysed to identify metro and non-metro responses, but these figures only represent ~ 60% of respondents.

*long-term retention of more experienced workers. Moreover, long commutes to work mean that key workers in some service areas are unable to be on-call to cover shifts or respond to increases in service demands and emergency situations.<sup>2</sup>*

15. This survey finds that many NSW nurses and midwives continue to struggle to secure affordable housing. 76% of respondents indicated that lack of affordable, secure housing was an issue for them and over half the respondents to this recent survey indicated that they either didn't have a steady place to live currently (6%) or that they were insecure in their current accommodation (47%).
16. 73% of couples and 87% of singles who responded to our survey indicated that that lack of affordable, secure housing is an issue for them and when we asked if they were currently experiencing rental stress, 64% of couples and 82% of singles indicated they were. While single parent households indicated higher rates of housing stress, it is worth noting that high levels of couple households were also under stress.
17. We were also asked to look at the data by age and focused on the question "Do you currently experience rental stress?". There was a clear trend of the experience of rental stress being most experienced by 18-34 y/o age group (75%), then steadily decreasing through the ages of 35-54 y/o (68%) and then it was lowest (52.5%) for 55+ age group. This is consistent with what we would reasonably expect to see as most people become more financially secure over time.

*With opportunities to work in communities with lower housing costs, recent evidence suggests that some key workers, particularly younger key workers, are leaving (or are planning to leave) expensive central city areas, and there have been media claims that this is leading to labour recruitment and retention problems. This issue may be exacerbated in future as new housing in accessible locations targets the higher end of the housing market and inclusionary planning mechanisms deliver few affordable homes. Moreover, as many key workers have traditionally aspired to home ownership, ongoing barriers to entering urban housing markets may continue to drive out-migration. This suggests that the issue of housing affordability for key workers may present a significant challenge for cities, particularly into the future as older owner occupying key workers retire.<sup>3</sup>*

18. Commuting times reported in this survey were not as significant as we might have expected although considering the well documented issues for most Sydney residents, this is likely due to the data limitations.

*Long commutes, particularly by private car also have financial implications as well as negative consequences for physical and mental health, stemming from limited time for exercise, meal preparation and eating, sleeping and family time, as well as the stress of the commute itself. A review of international research found that those outcomes can have implications for work performance, with*

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<sup>2</sup> [AHURI Final Report No. 355](#) Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities, May 2021, p4.

<sup>3</sup> Ibid, p9

*long commutes linked to worsened moods while at work, fatigue symptoms and higher rates of absence due to illness.<sup>4</sup>*

19. The survey included an open-ended question that invited respondents to describe the impact that rental stress has on them and their families. Most described struggling to pay for essentials like food and energy. Respondents described an increase in family discord and arguments related to financial pressures. Several single parents indicated that they have had to resign from roles that allowed them to meet caring responsibilities in order to access more lucrative penalty rates. Many stated that the constant worry and depressed mood affects their concentration at work. Many respondents indicated that they take on as much overtime as they can get to meet their financial obligations but that the overwork impacts on their mental health and relationships. One nurse reported that she has been disciplined in her workplace for needing time off to search for housing and told if she can't find somewhere to live, she needs to resign. A number of respondents described having to skip meals so that they could feed their children and being unable to pay for fuel to drive to work or to spend time with relatives. Older nurses described feeling panicked about getting to the end of their working lives without stable accommodation.

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*We cannot save for a deposit to buy our own home, so we're trapped into renting. As the rent increases and my salary increase does not keep up with this, being able to buy is less and less likely. I don't feel settled here and we always have the worry that the landlord will end our tenancy and we won't be able to afford anywhere else. It does affect our mental health. We plan to relocate to QLD in the next few years where there more chances to buy and where nurses are paid more.*

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*Inability to access wheelchair accessible housing for disabled husband. Inability to save own house deposit. Housing insecurity and near homelessness causing severe stress and anxiety. Having to move on short notice and pay significant moving costs, have children commute to school now well out of zone. Living paycheck to paycheck while doing full time shift work, parenting and being a carer without being able to get ahead- causing significant stress and burnout.*

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*At the point where I am spending 3 weeks of my full-time wage on mortgage alone; any further rate rises and we'll be forced to choose between a mortgage*

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<sup>4</sup> [AHURI Final Report No. 355](#) Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities, May 2021, p11



*trap and moving to Queensland, where housing is more affordable, and the pay is significantly more for nurses.*

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*We are unable to save for a home deposit. We live where we can afford, which means long commutes to work for both my husband and me. We are at the mercy of landlords, never knowing when we will have to move. Also having regular rental assessments of the property adds stress. When we move, we never know if the owner will accept our pets. My children all have anxiety from never really having a stable home. My husband takes most of the financial stress to protect us, but any changes in the budget gives added stress. I don't believe I will ever be able to retire as we will never have our own home. This is a constant fear as we age and our health issues increase.*

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*I am a manager of an aged care facility, and we are struggling to employ RNs due to rental shortages in our town. The Government wants us to have 24/7 RN cover, but we do not have housing available to house them. We applied for exemption, but it was denied. Trying to recruit without being able to provide housing is a very stressful situation.*

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*I currently pay 40% of my take home pay on rent. This makes it very difficult to save money and means if we have a week where a lot of bills come at once, or something bad happens such as the car breaks down, we have to go without groceries that week. I have also had to change jobs to be closer to home as previously I commuted an hour each direction on public transport to reach my workplace.*

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*Mine is mortgage and rising cost of living stress. I am an unsupported single parent in Sydney and my nursing wage does not cover a small mortgage plus regular daily expenses, including parking near work, and a child who requires expensive, regular medication. I work fulltime but I am struggling. My children work part time and contribute currently, but we are four people living in 2 bedrooms and still 30min from my workplace. I couldn't afford to live closer.*

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## How will the health system benefit from nurses and midwives having access to affordable housing?

20. Access to affordable housing will enhance recruitment and retention of nurses and midwives. We frequently hear from recruiting services that lack of housing that is affordable to nurses and midwives is a key issue that prevents them from filling positions. This is a state-wide phenomenon.
21. A Director of Nursing from a large inner-city hospital in Sydney described having no trouble recruiting young, inexperienced nurses and midwives who were willing to live in share-house arrangements that were in reasonable proximity to the hospital. However, lack of affordable housing options for these same staff as they matured and no longer wished to live with flatmates meant that the service was struggling to retain more experienced staff who are being priced out of the city and seeking employment in more affordable areas.
22. Lack of accessible affordable housing means throughout NSW there are nursing and midwifery positions that can't be filled permanently. This drives up costs through reliance on temporary contracts. For example, we know that there are many nurses and midwives who would accept one of the numerous vacant positions in areas such as the Northern Rivers if there was suitable housing available. Instead, the health services in the area are often forced to rely on temporary contracts which often include accommodation paid for by the LHD. Effectively subsidised essential worker housing in these areas would allow nurses and midwives to fill these positions permanently, improve service delivery and lower costs overall.
23. High staff turnover can disrupt patient care, increase costs and disrupt operations. A hospital that can't retain experienced nursing and midwifery staff runs the risk of very serious quality and patient safety issues.
24. Access to affordable housing for nursing and midwifery improves the quality and safety of patient care. Access to housing within reasonable vicinity to their workplaces means that nurses and midwives will be less stressed, improving mental wellbeing, concentration, decision-making and job satisfaction. For example, we know that a very significant number of nurses and midwives living on the Central Coast travel very significant distances to hospitals around Sydney. For shift workers who may finish work late at night and be rostered on the following morning, or who have been called upon to do overtime to plug rostering gaps, the long commute impacts on their ability to manage their fatigue and meet the demands of the workplace, both of which have very real implications for patient safety and quality care.
25. Many midwifery roles and nursing specialties need to live close to their workplaces due to the critical, unpredictable and urgent nature of their work. Midwives, emergency nurses, critical care specialists and perioperative nurses are often on-call to respond to emergencies and proximity to work is important in these circumstances.

## What is an appropriate definition of essential worker housing, including criteria for prioritising worker cohorts and geographical areas?

26. NSWNMA believes that everyone in NSW should have access to decent housing and that every worker should be able to afford to rent or buy a home that meets their needs. We believe that more public investment is required for public and community housing to ensure that vulnerable and low-income people have access to homes. We support the Government's recent investments in social housing, planning reforms and other initiatives aimed at increasing housing supply.
27. However, we also believe that as the housing affordability crisis intensifies in NSW and middle-income workers are increasingly unable to access housing in reasonable proximity to their workplaces, there is now a compelling argument for subsidised housing for essential workers to ensure that the critical services they provide can continue to be delivered at an appropriate standard. The recent announcement by the Government that it will build 400 new build-to-rent dwellings over the next three years for nurses, paramedics, teachers, allied health care workers, police officers and firefighters at discount to market rent is welcome but is a drop in the ocean in terms of the needs of essential workers.
28. NSWNMA considers essential workers as those that have a direct role in providing services that the people of NSW rely on, including the provision of care and education, public safety, transport and utilities. Our view is that essential worker housing should target key workers who cannot afford to rent or buy a home that meets their needs in the private market but are also ineligible for social housing.
29. We recognise that prioritisation will be necessary as the supply of essential worker housing evolves. Prioritisation should reflect local needs and existing workforce shortages that can and do impact on service delivery. We see very high demand for nurses and midwives in NSW but so many of our members are telling us that lack of housing affordability is driving them to consider interstate roles where wages are higher and housing more affordable.
30. Research<sup>5</sup> indicates that the number of registered nurses not practicing in the profession has increased significantly since the pandemic: between December 2019 and December 2023, the number of registered non-practicing nurses in NSW increased by 70% to 2,372. Most of this occurred in the two years to December 2022 – and has stayed at that level subsequently. The same research notes that SEEK data indicates registered nurses are the number one occupation nationally with greatest excess labour demand and for the Greater Sydney labour market are second to childcare workers. We are confident that making affordable housing available to nurses and midwives would greatly assist in meeting that excess demand.
31. Prioritisation should also reflect the nature of the work. For example, the fatigue associated with shift work is a well-documented risk to the health and safety of a range of workers performing essential roles. Every day in the NSW health system nurses and midwives are finishing work late at night, are back on duty early the next morning or are returning to work at short notice to

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<sup>5</sup> Buchanan, Henderson & Occhipinti (May 2024) *Escaping NSW Treasury's Curse: NSW Nurses and Midwives' Pay 1999-2024 and beyond*.

respond to emergencies. Providing these nurses and midwives with the opportunity to live within reasonable proximity to their workplaces is in the interests of the entire community.

## How Can Planning Reforms Contribute to Providing Housing for Essential Workers?

32. At a fundamental level, the principle we support is that there should be sufficient available housing near places of employment for essential workers to enable those workers to live, along with their families, in the communities whom they serve. Conversely, in Sydney and other major population centres in NSW it is common for our members to travel for over an hour to attend work or to live in substandard housing conditions in order to accommodate their employment. A lack of affordable, adequate housing near places of employment for nurses and midwives is a key contributor to early career exit in these professions. Additionally, there are practical and clinical problems which are exacerbated by housing shortage. Many nurses and midwives participate in on-call rosters which require fast response times which cannot be accommodated by staff who live a long distance from their employer.
33. Accordingly, the NSWNMA calls for changes to planning laws to include mandatory inclusionary zoning<sup>6</sup> in areas where there is predicted high demand for essential workers.
34. Zoning reforms should focus on:
- Identifying areas of high demand for essential workers, particular in areas of significant population or projected population growth and near hospitals, community health facilities and workplaces providing of aged care and disability care.
  - Generally increasing the supply of homes in identified areas of high demand for essential workers by allowing new buildings, enabling multi-family developments, increasing height limits and reducing planning regulations which arbitrarily restrict housing supply.<sup>7</sup>
  - A prerequisite for large-scale residential development in identified areas should include a fixed proportion being set aside for exclusive essential worker housing. The identified housing should include options at different sizes and cost to accommodate varying family and living arrangements of essential workers.
  - Essential workers would therefore have priority access to housing available near their place of work.

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<sup>6</sup> *The Constellation Project, Mandatory Inclusionary Zoning: Setting Targets for Affordable Homes* (Report, 2020) < <https://theconstellationproject.com.au/projects/mandatory-inclusionary-zoning/>.

<sup>7</sup> Nicole Gurran et al., *Supporting Affordable Housing Supply: Inclusionary Planning in New and Renewing Communities* (Report, April 2018).

## Other Opportunities for Promoting Housing for Essential Workers

35. The NSWNMA supports significant investment by the government in housing development, through Landcom and other bodies. In the development of government land, the first priority should be to continue to work to create sufficient social housing to support vulnerable members of the community. Housing security is a foundational aspect of public health and the creation of social and affordable housing for those at risk of homelessness or housing insecurity actively supports the work of primary care workers, particularly nurses and midwives.
36. The next priority of development on government land should be to develop housing in identified areas of high demand for essential workers to provide housing that is specifically targeted for essential workers. This sort of development creates a growth and income producing asset for government and also helps satisfy the demand for housing for essential workers. Specifically, government can prioritise housing types which are less-frequently developed by the private market including larger family units or townhouses adjacent to regional hospitals. These projects should be specifically targeted at sites within walking distance of public hospitals and other essential workplaces.