

REPORT ON PROCEEDINGS BEFORE

**LEGISLATIVE ASSEMBLY SELECT COMMITTEE ON
ESSENTIAL WORKER HOUSING**

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

At Sunrise Room, Bomaderry Bowling Club, Nowra, on Tuesday 3 December 2024

The Committee met at 9:05.

PRESENT

Mr Alex Greenwich (Chair)

Ms Liza Butler
Mr Stephen Bali
Mr James Griffin

The CHAIR: Good morning, everyone. Before we start, I acknowledge the traditional custodians of the lands on which we are meeting today. I also pay my respects to Elders past and present, and extend that respect to any other Aboriginal and Torres Strait Islander people who are either present here or viewing the proceedings online. I welcome everybody to the public inquiry of the Select Committee on Essential Worker Housing. My name is Alex Greenwich. I am the member for Sydney and the Chair of the Committee. I am joined today by my colleagues Mr Stephen Bali, the member for Blacktown; Ms Liza Butler, the member for South Coast; and Mr James Griffin, the member for Manly. Mrs Sally Quinnell, the member for Camden, and Deputy Chair, was unable to be here today. The Committee thanks the witnesses who are appearing before us today and the many stakeholders who have made written submissions. We appreciate your input into this inquiry. I declare the hearing open. I also extend my thanks to the Committee staff and Hansard staff for bringing the Parliament to the Bomaderry bowlo today.

Mr JAMES RUPRAI, Acting Chief Executive Officer, Shoalhaven City Council, affirmed and examined

Councillor PATRICIA WHITE, Mayor, Shoalhaven City Council, sworn and examined

Mr GORDON CLARK, Manager, Strategic Planning, Shoalhaven City Council, sworn and examined

The CHAIR: I welcome our first witnesses. Thank you all for appearing before the Committee to give evidence. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the Legislative Assembly's social media pages. Please inform Committee staff if you object to having photos and videos taken. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

JAMES RUPRAI: Yes.

PATRICIA WHITE: Yes.

GORDON CLARK: Yes.

The CHAIR: Do you have any questions about the proceedings?

JAMES RUPRAI: No.

PATRICIA WHITE: No.

GORDON CLARK: No.

The CHAIR: Would anyone like to make a short opening statement before we begin questions?

PATRICIA WHITE: Yes, I'd like to do that. Firstly, thank you to the Committee for holding the hearing today in Nowra, Shoalhaven's growing regional centre, and for the opportunity to appear before you today. Council welcomes and supports the aims of the inquiry as housing availability and affordability continue to negatively impact on our community, including essential workers. Currently, in our city, nearly 2,150 households need affordable housing, and a further 4,150 households are experiencing housing stress, paying more than 30 per cent of their income on rent or mortgage payments.

The median house price in the Shoalhaven is now \$107,000 above other comparable regions in New South Wales. People working in schools, aged care, and child care now have limited opportunities to rent or purchase, even at the entry level, a house in the Shoalhaven. This aligns with the findings contained in the NSW Property Council report released just last week, that key workers are currently priced out of the local housing market. This is not a good outcome for our community or society.

Before I hand over to Mr Clark to finish the opening statement, I want to acknowledge that this council has been working proactively and collaboratively in the affordable housing space since before the release of its first affordable housing strategy in late 2017. We were the first council in the region to look more closely at the issues and at what we could do. We are now recognised as a local leader in this space. But there is always more to do, and we recognise this. I would now like to hand over to Mr Clark.

GORDON CLARK: Thank you, Madam Mayor. Councils do not directly provide affordable housing, including essential or key worker housing, but we have shown by our actions that we are willing and able to assist. The task is not ours alone, and working with others to provide homes to meet all needs and lifestyles is a confirmed Council strategic priority. Council's current focus is on the local planning levers it can pull to facilitate delivery by the market and the possible use or development of Council land. We also continue to actively and strongly advocate to other levels of government to work with us to improve the current local housing situation.

We are currently working generally to provide a supply of land for new homes, increase housing choice, and improve housing affordability. This includes planning future housing supply in new and existing urban areas, such as the significant new urban release areas here in Nowra-Bomaderry, and a range of actions to support an increase in the supply of affordable housing. Council has a new, updated Affordable Housing Strategy and has resolved to create an affordable housing taskforce to help drive and guide Council's work, including the possible introduction of an affordable housing contributions scheme.

We continue to actively collaborate and work with Homes NSW and Southern Cross Housing, the major community housing provider operating in Shoalhaven, to increase the supply of both affordable and social housing. We have a collaboration agreement in place with Homes NSW and are considering one with Landcom. Currently, 39 new affordable rental units are being constructed by Southern Cross Housing on land gifted by Council close to the Bomaderry railway station. This is recognised as an exemplar local government project.

Council also assisted Landcom with its 60-unit build-to-rent proposal, also in Bomaderry, and a significant planning exercise is underway to facilitate additional housing outcomes on New South Wales government-owned land in the Nowra Riverfront Precinct, adjacent to the Shoalhaven Hospital.

Most recently, Council submitted a joint grant application with Homes NSW and Southern Cross Housing to the New South Wales Government's Regional Housing Strategic Planning Fund to advance an estate renewal strategy—an implementation plan for government-owned land and houses in Nowra. This work, if funded, will potentially initiate and guide the investment in, and delivery of, over 500 additional social and affordable homes. Council's general advocacy continues to be broad. It has requested the New South Wales Government to complete its review of planning policies which may ease housing pressures. This includes options to manage short-term rental accommodation, the permissibility of tiny homes, and permitting meanwhile-use for crisis and transitional housing.

Council supports the continued release of sites from the New South Wales Government's surplus land audit, reinforcing this with a motion supported at the recent Local Government New South Wales conference. So far, it is disappointing that regional New South Wales has not featured significantly in the sites identified through this initiative, given that Council has flagged potential sites, including one close to the Bomaderry railway station. The key outcomes Council is seeking from this inquiry is a continued commitment and direct action to increase the supply of rental and affordable housing, including essential worker housing on government-owned land, and the delivery of new homes to support major infrastructure investments. The challenge of meeting the housing demand for the future workforce required to staff the \$400 million upgrade of the Shoalhaven Hospital that is currently being built is a relevant example. So far, the upgrade project has missed the opportunity to provide temporary and permanent housing solutions as part of the project. It is important to ensure that, in the future, associated housing need is considered in the design and approval of such projects.

In closing, we need planning controls that continue to encourage and facilitate all forms of affordable housing, including for essential workers, preferably in perpetuity. There is also a need for appropriate land to be identified in the right locations for these forms of development. This is something that Council remains willing to collaborate and assist with. It also needs to be easier, and there should be a clearer pathway for councils to make land available that they own for suitable projects. Thank you again for today's opportunity, and we now look forward to answering any of your questions.

The CHAIR: Before we begin questions, I advise witnesses that they may wish to take a question on notice and provide the Committee with the answer in writing. You have that option for any of the questions we ask.

Mr STEPHEN BALI: One of the elements we are looking at here is trying to look at, and untangle, the red tape. Your feedback, as people directly involved in the processes, would be really appreciated. Looking at some of the data for your council, it's interesting to note that your development applications meeting expectations is about 60 per cent. You had about 323 applications. The numbers are slightly irrelevant, but I'm just reading exactly what's on here, 60 per cent compared to the state average of 73 per cent. It's one thing for developers and people turning up here and blaming council for the red tape. What are the factors behind why, in your council area, people lodging applications are probably not at the standard that's required to do a proper assessment?

It's more of a technical question, so I don't expect the mayor, especially one just recently elected, to go, "How do I answer that?" That's one of the challenges. People will come here and say red tape is everywhere. I have noted all over the state where people have not put in applications and then used the 41-day rule—I think it's 41 days—and run off to court.

JAMES RUPRAI: Through you, Mr Chair, I'm happy to take this question. Essentially, I think there are a few limbs as to why processing times may be more extended in regional areas like this, in comparison to the rest of the state. The first I would say is the planning system itself is often not conducive to quick time frames, particularly for more complex applications. There is a range of complexity within the New South Wales planning system, associated state planning policies, and the LEPs and DCPs that flow from that. So without having very clear alignment, particularly policies that give rise to assisting regional and rural areas in managing their development growth, it can become a system which is difficult to work in for those that understand the system, let alone for those that may be entering the system for the first time.

The second limb would be a skills shortage and resourcing shortage. It's very difficult to get high-calibre planning, and engineering staff, for that matter, in regional areas. We're trying to pull from the outskirts of metro areas. We're trying to "grow your own", in terms of building the skills here. We don't have access to the same level of educational institutions. We don't have the access to adjoining areas, private sector, and other elements that perhaps more metropolitan councils would be able to draw from. Our final limb would probably be the tyranny of distance. There is a range of elements that come into how Council manages its growth, including extended

infrastructure, a range of character analysis, and elements that need to be incorporated in planning for very unique parts of a more geographically dispersed LGA than you may see in LGAs that are more confined.

Mr STEPHEN BALI: Those are all good reasons, but I suppose what I'm asking is, according to the data that's available—I get the challenges councils are under—this is saying that the application that's presented to Council, even before you have all the challenges that Council has, the developers are putting in substandard applications. Only 60 per cent of them versus the state average of 73 per cent meet your expectations for them to properly start the process, and that will drag out your times. Why would you feel developer applications in this area would—is it a lot of local developers? You've got some Sydney-based developers coming down here as well.

JAMES RUPRAI: We do, yes.

Mr STEPHEN BALI: They should know the rules.

JAMES RUPRAI: Yes. The quality of applications has been an issue for Shoalhaven since I have been here—and, I would dare say, for quite some time—which leads to negotiation and back and forth through the process and, as you say, protracts that time frame considerably.

Mr STEPHEN BALI: What would be an example to improve the application process? Would we as a government need to educate developers more? I don't know. What would be a potential solution to assist Council in this process?

JAMES RUPRAI: Certainly I think education, and perhaps the setting of minimum standards. We've implemented, at a local level, a development matrix, which basically says that, for this type of development, these are the minimum documents that need to be submitted. It doesn't go to the quality of the documents, but it's at least a checkpoint before we allow the DA in the door. That's a more recent occurrence for us. We've implemented that over the last 12 to 18 months. We're seeing lodgement time frames, and how they are impacting overall time frames, starting to have a positive effect. If that were a mandated standard across the state, I could only see it assisting overall development assessment time frames.

Mr STEPHEN BALI: I notice in your annual report you had, unfortunately—and this is the bane of all councils—30 court cases. Is there any particular theme that annoys councils about these? Is it the 41 days and they simply say, "Who cares?" I get it if it's a garage or one house, but if it's a complex development, you can't just do it in 41 days, can you?

JAMES RUPRAI: I think we're seeing probably two themes. One is that there is an element of the development industry that is well aware that time frames are going to extend well in excess of the 40-day period, so they will all start to look at lodging a deemed refusal application at the tick-over of that 40 days. In terms of themes, I think the densification theme is probably one that we're seeing as an overriding element leading to a number of court cases. That can be everything from multi-unit dwellings to dual occupancies. Effectively, where there may be less of an understanding, from a community or other perspective, of the need for diversification of housing typology, particularly in rural and regional townships, there is certainly more of a theme in that densification of residential development going to the Land and Environment Court than perhaps other types of development.

Mr STEPHEN BALI: My final question—you're talking about potentially coming up with a new contribution scheme for affordable housing. I assume that's an option for a developer: If you have some type of mandated X percentage for affordable housing, the choice is either to do that, or pay X or Y dollars if you take zero. What type of contribution would that be? Do you think that would actually impact on affordability, since you're pushing up the cost of housing?

JAMES RUPRAI: There are probably two elements there. One is the standard cost of delivering a development. Contributions per residential lot have been capped and not increased since 2012. The only mechanism that Council has to increase that per-lot cap is via IPART. Some councils have sought that pathway. By way of a practical example, from Moss Vale Road—which is one of the larger urban release areas here in the Shoalhaven—the residential cap is sitting at about \$30,000, where we've costed the total infrastructure cost per lot at about \$80,000.

Mr STEPHEN BALI: I know that some councils in the Sydney basin put in an application every five years because you can't do it before five years, I think. Why wouldn't you just keep rolling over and putting in the application to increase it?

JAMES RUPRAI: I can't speak to the history. I might ask Mr Clark to speak to some of the historical context.

GORDON CLARK: I think the issue there is that, essentially, it's the process you have to go through with IPART. It can be anywhere from 12 months to two years to get through an IPART process. Whilst we're a large council, we don't have high growth throughout the whole LGA; we have pockets of high growth. For us, we have just, probably in the last five years, entered that high-growth phase in Nowra-Bomaderry. We are going through that work at the moment. We're now at a point with Nowra, in the urban release areas, that we actually go through the IPART process, and potentially lose 12 months or two years by or try to come up with another way of delivering the infrastructure working with the development industry.

For us, it's pretty much, one, about timing. The other thing that also occurs is that IPART then reviews your whole plan. Then we may well lose things, or have things changed on us within our own existing plan that we don't necessarily want to be changed on us at this point. It's a bit of a double-edged sword. You might get an increase, but you also might then have some of your other existing projects—which you may, for example, have already built—challenged through that process.

The CHAIR: Mr Bali, in the interests of time, I will come back to you.

Mr STEPHEN BALI: But I think this would be good for the recommendations that, instead of every two years, we have the option for councils to get a construction index automatically applied to the IPART. Would that be better?

JAMES RUPRAI: Yes, indeed. To answer the second part of the question from the member for Blacktown, "in lieu of" payments are often not incorporated in that capped amount, so there are other processes the council needs to enter into, including voluntary planning agreements, or works-in-kind agreements. It is a separate issue, but they are considerably resource-intensive processes. If there were more streamlined mechanisms that were implemented into the planning system, that would certainly assist in the reasonable negotiation of required infrastructure delivery for new growth areas.

The CHAIR: I appreciate you sneaking in that quick question and the efficient answer. You can provide further information on notice if you require.

Ms LIZA BUTLER: Regarding the recommendations in your submission, recommendation 12 says to "shorten development application processes" and recommendation 10 is:

The NSW Government introduce a planning and regulatory framework to promote and manage meanwhile use, which considers provision of short-term housing for temporarily employed essential workers.

When we think of Coomea Street in Bomaderry, which took quite a few years—I think we're only now building it, and it was five years ago that this process started—if the Government had some framework in place to assist councils when you're donating land, what could that look like and what would that mean when we think of what has happened over the past five years at Coomea Street?

GORDON CLARK: Recommendation 10, for us, is essentially about meanwhile use. That's where you have a piece of government land that, to all intents and purposes, is sitting there vacant at the moment—let's say for a highway widening that may never happen. Can that land be used in the short term—five, 10, 15, 20 years—whilst things are resolved? We had a practical example, where Council made several representations about key, big blocks of land sitting on the Princes Highway in the middle of Nowra that were clear. They basically had secondary road access; they didn't rely on access from the highway. Could they be used in the short term for affordable and/or crisis housing?

We put a case to Transport for NSW at the time. We had to chase a response. We got a response back many, many, many months later which basically said, "We might think about it, but you're going to have to pay market rent for it." We went, "Hang on a minute. It's sitting there, already cleared, vacant, serviced, and with road access. Why can it not be used in the short term in an agreed partnership approach with someone like Southern Cross Housing, who manage it, so that the risk of you not being able to get, for example, tenants out is managed?" Essentially, we drew a blank on that.

At the time we were told that the government was working on a discussion paper on the meanwhile use of public land. I believe that never saw the light of day; we've never seen it. At this point in time, there is no framework around meanwhile use. There was commentary in the government's Housing Strategy 2040, I believe, which talked about the potential for meanwhile use, but nothing has really advanced. If you drive through Nowra, there's probably six or seven areas of land, which were residential houses that were bought by the former transport bodies, cleared of the houses, and they're just sitting there as vacant lots.

Essentially, they could accommodate—I'll use the generic term—tiny homes, but not necessarily tiny homes. It could be some form of manufactured dwelling that could be relocated. It could help us in the shorter term with social housing, affordable housing, and key worker housing, but we've gotten nowhere. Our

recommendation to you is that the government seriously moves that framework along, because it's not there at the moment.

JAMES RUPRAI: The member for South Coast has raised a very relevant point, which is around the frameworks to assist expediting some of these potential key worker housing issues. Council is bound by a number of very stringent legislative controls and frameworks for which, in 99 per cent of cases they are relevant and important, but they can become cumbersome in dealing, particularly, with social housing providers or state government entities that are in the business of looking at either community or social housing provision. I put to the Committee that one of the elements that could be worked through is a streamlined framework to assist a multi-government or a government and not-for-profit partnership to deliver locally on key housing.

Ms LIZA BUTLER: You spoke in your recommendation about short-term rentals. Could you let the Committee know what effect the short-term rental market on the South Coast has had on permanent rental properties for essential workers?

JAMES RUPRAI: A marked and very significant effect on the removal of stock from the standard rental market, so much so that we've seen vacancy rates drop as low as 0.5 per cent, or below 0.5 per cent, in recent years. I think, given the economics of increased interest rates and inflation, people are making more decisions to rent or lease through short-term rental accommodation markets, which is effectively removing rental stock for permanent rentals, particularly where there are transient workforces or lower socio-economic parts of the community that need to tap into that housing.

GORDON CLARK: If I could just expand on that, I think the other thing I do need to comment about is that short-term rental accommodation has been a feature of the Shoalhaven for a long period of time. We need to recognise, as James has said, the housing impact that it does have, but we also need to recognise the tourism role that it does play. I think whatever options Council takes, in association with the government, in that space need to be kind of cognisant of, not just the housing opportunity, but the tourism impact. As part of the work we did on our Affordable Housing Strategy, we published a paper on short-term rental accommodation—essentially, if you started influencing the amount of short-term rental, how much could you see potentially find its way back onto the longer-term rental market. It's trying to look at, where's the balance between encouraging some of those to become more permanent rental, but also not unduly impacting on tourism.

One of the things we have been asking government—we made quite a detailed submission to the discussion paper on short-term rental accommodation [STRA] that came out earlier this year. One of the things we quite clearly said in our submission to that discussion paper was "Please give us a suite of options. Don't give us a one-size-fits-all approach that applies to the whole of New South Wales. Give us options that the government is comfortable with, and that councils, depending on evidence, can tailor to their local area." For us, it might be about trying to find that balance between affordable rental housing and tourism. So, not necessarily going overly hard against tourism and wiping short-term rental out—which I'm not saying the government would do—but, give us options to find the balance for us, rather than a one-size-fits-all approach for the whole of, let's say, coastal New South Wales.

Ms LIZA BUTLER: I'm taking from that that you think areas such as Huskisson, Vincentia, and Mollymook would be short-term rental. But are you thinking that key areas, like town centres of Ulladulla and Nowra, are more appropriate for essential workers and other areas are more appropriate for short-term rental?

GORDON CLARK: Correct, Member for South Coast. It's enabling us to put in place, we would hope, a more nuanced approach so that, for example, areas like Currarong, Huskisson, and the like, where, to be honest with you, they're not ideal locations for social and affordable and key worker housing, because of their relative distance from, for example, Nowra or Bomaderry. Also, too, from a social and from an affordable housing point of view, they don't have that higher level of service or wraparound service that you hope would be there for people who may have complex needs or more complex needs. So what we're saying is we need the ability for a more nuanced approach, which, picking up your point, could well be that there are places where we allow STRA, versus areas where we restrict it or we minimise it or we limit it.

Mr JAMES GRIFFIN: Firstly, congratulations on having the foresight to do the Affordable Housing Strategy back in 2017. As we've discussed, there are obviously a lot of facets and elements to the housing discussion, and one of those subsets is essential worker housing. In your submission you've touched on the different definitions or type of person that would make up an essential worker, based on different geographies. We heard evidence from another location that, for example, police and bus drivers would make up two positions on a list. Do you have a view today on what you think in this community and area the types of people or jobs that would make up essential workers would be and, to the extent that you feel we're now at a critical point where it is having a massive impact on the community, on whether unlocking housing for those jobs and roles is making a significant impact?

GORDON CLARK: I'm happy to start with that one, James, if you want.

JAMES RUPRAI: Sure.

GORDON CLARK: As our submission says, we firstly need a clear definition of what an essential worker is. I take you back to the comment I made on short-term rental accommodation. I'm not sure that a one-size-fits-all approach is really going to cut it because, essentially, what might be needed in the Shoalhaven may not necessarily be needed in inner-city Sydney. For example—and I'm sure the member for the South Coast will recall this anecdotally—some of the hospitality venues in Ulladulla struggle to find key workers, because they can't find them accommodation. One of the major venues down there actually had to buy its own house so that they could then get chefs and more senior staff. I think it's hard to actually say, region by region, what an essential worker is. That's a challenge.

In some areas it may be one set of workers, but in another it may be another. I would caution against a one-size-fits-all approach, and whether or not, based upon local research demographics, there is a more nuanced approach that we can come up with. We talked to you yesterday about our ID housing resource. We collect data—most councils do—on who has got issues in what area. Whether or not we can start to almost localise or regionalise it, I don't know. That's something that I would maybe suggest is worthy of consideration, rather than it's just—I'm not saying "just"—police, nurses, or whatever. Depending on your area, it could well be a more localised skill set that you need to assist with.

PATRICIA WHITE: I'll just add to that. Down in Ulladulla there is a local planner, and also a surveying firm. He could not get professional surveyors or professional planners to come down, which then relates back to our DAs and everything. The only way he could solve his problem was that he went out and bought a whole series of houses that were on the market for sale. He rents those to his employees. Otherwise, he could not attract staff. It would really diminish his business if he couldn't attract those staff in.

JAMES RUPRAI: Just touching on some of the hard data, and to reinforce the points that the Mayor and Gordon have made, this need should be based around economic output, really, and drawing it back to the individual strengths and economic output that each particular LGA contributes. If we look at the top three industries in the Shoalhaven—health care and social assistance, retail trade, and public admin and safety—we have a high tourism influx. There's obviously tourism, and tourism-related industries, which lead to retail and which may not be key worker in terms of other LGAs across the east coast or even inland.

Of that, 81.5 per cent live and reside within the LGA. We've seen with growth like the new hospital—a key healthcare facility—upwards of 800 new staff coming into the LGA that are currently uncatered for as part of the housing market. They're the elements that would be unique to the Shoalhaven that may not be unique to other LGAs, just to reinforce Gordon's point around it being a flexible approach based on the key needs of the communities in which we're planning these housing resources.

Mr JAMES GRIFFIN: You mentioned before the streamlined framework. I'm not a planning professional, but do you see a model whereby a DA or an application could, if they could demonstrate that it was to deliver housing for some of those people on that list—that somehow there could be a streamlined, very fast process to deal with this? Does it go back to the capacity issue that you raised right at the beginning and the challenges that Mr Bali raised with respect to the planning system as it stands at the moment?

JAMES RUPRAI: Thank you, member for Manly. I think it is both. There is a need for land use analysis that would align with economic catchments, and some of the economic analysis that needs to be undertaken so that understanding the needs and identification of key sites is fair from the get-go. Investors will not make decisions without having that land use planning component undertaken. Certainty in the process and outcome is a key issue. Certainly there is the potential for a framework which is far more streamlined.

That could include elements like allowing councils to receive direct approval for the divestment of land, as opposed to having to go out to EOI or looking at reclassification. I can see that being done in conjunction with the state, so there is no ambiguity around how councils were managing those land components. Also, through the development assessment process, if there were pathways that were unlocked to allow the streamlining of applications where there was identification of key sites, and there was a partnership that was entered into appropriately, and where there was land divestment that had been done appropriately, that application could then go through its own defined pathway to see key worker housing come to fruition.

Mr STEPHEN BALI: Mr Chair, could I ask one question very quickly?

The CHAIR: I have one more question. We are almost out of time. Mr Ruprai, as you flagged, there is a really new hospital coming to the region, and it is unclear where the people who will work in that hospital will

actually be able to live. In the funding planning process for that hospital, what would the council like to have seen as a process to also address the housing needs that come with that hospital?

JAMES RUPRAI: That's probably one of the most relevant question that we'll grapple with as we look at new industry coming to a growing region. Ideally, as part of that process, the delivery authority—be it public or private—would look at the planning needs around the additional workforce at project inception and planning. Prior to even going through a development application and approval process, they would identify the additional key workers that will be attributed to the investment, and the development that is being undertaken, and ensure that there is an alignment to either local or state planning, so there is the available housing resource within the local area for those workers. The flip side to that is that it will avoid us ending up in situations where there is hundreds of millions of dollars of investment into much-needed infrastructure, particularly in regional areas, with the inability to draw professional staff and qualified staff from other areas, because there simply isn't the opportunity for them to rent or buy within the local area.

GORDON CLARK: I would add to James's comments that that is one of the things that we've touched on quite strongly in our submission. Having lived through the hospital project from the start to the now build, it was something that we were saying to the Department of Health and other agencies all the way through, "Where are these people going to live?" Essentially, it sounded like or felt like, "Sorry, we're just focused on the hospital. It's our task to build the hospital." We kept saying, "We get it, but what about all of these other things that hang off it?" We felt really frustrated that we were kind of left with "That's Council's issue to deal with." We made a recommendation in our submission that as part of these big future infrastructure projects, as part of their design and assessment within government, their broader needs should also be considered as part of the approval process. What housing do they need longer term? What housing do they need shorter term? That should all be thought about before the actual development starts, rather than what we have now, which is a hospital that is being built, and we are scrambling. We are playing catch-up. There is a real prospect that the hospital will be finished and we won't have the housing ready to go to meet the needs of those incoming workers.

The CHAIR: Ideally you would like to see that planning trigger a process and a strategy for the delivery of housing for people who are working at that hospital?

GORDON CLARK: Correct. I think what we saw through the hospital project was—we used the term for our organisation—silos within government. "We just build hospitals". "Hang on a minute, coming with that is a workforce challenge as well." You can't just think about building a hospital. Who is going to build the houses that those people need? What is the holistic consideration of that hospital project?

Mr STEPHEN BALI: Addressing and wrapping everything up, do you have a definition of "key worker"? Maybe have a think about it from Council's perspective. We would give a recommendation that says a key worker is any worker in your LGA who lives, plays, and works in your LGA. That may help everybody a little bit, rather than us coming up with a definitive solution of who is or is not a key worker. The other question on notice is probably the affordable housing. If you mandate 10 per cent or 20 per cent, or whatever it might be—X per cent—to be affordable housing, who enforces in five to 10 years time that that is still a local worker working in that local hospital, and they're not now working in Wollongong Hospital or somewhere else? Is it a state responsibility or does Council do an annual audit? They're questions on notice I think would be important for us.

The CHAIR: I really appreciate that, Mr Bali.

GORDON CLARK: I'm happy to take that on notice, but I think our argument would be, and always has been, that affordable housing should be in perpetuity, and it should also be managed by a community housing provider. That's the two levels of certainty that you get—

Mr STEPHEN BALI: But who enforces that?

The CHAIR: We'll let you provide a more fulsome answer on notice to that. I thank you all for appearing before the Committee today and for welcoming the Committee in your local government area. You will each be provided with a copy of the transcript of today's proceedings for corrections. The Committee staff will also email you any questions taken on notice today including those that Mr Bali just lodged and any supplementary questions from the Committee. We kindly ask that you return these answers by Monday 13 January 2025. We thank you for being here.

(The witnesses withdrew.)

Ms XAVIERA McGUFFIN, Member, New South Wales Nurses and Midwives' Association, affirmed and examined

Ms DIANE LANG, Member, New South Wales Nurses and Midwives' Association, before the Committee via videoconference, affirmed and examined

Mr AARON JONES, Political Coordinator, United Workers Union, before the Committee via videoconference, affirmed and examined

Ms DIMI PERRAS, Member, Early Childhood Education and Care, United Workers Union, before the Committee via videoconference, sworn and examined

Ms SANDRA GRAY, Employment Facilitator, Illawarra South Coast Employment Facilitator, affirmed and examined

The CHAIR: I welcome our next witnesses. I recognise that you are all appearing as members of your relevant unions and associations, and not representing or speaking on behalf of your actual workplace. I thank you all for appearing before the Committee today. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the New South Wales Legislative Assembly's social media pages. Please inform Committee staff if you object to having photos and videos taken. Could I ask that everybody appearing confirm that they have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

SANDRA GRAY: Yes.

XAVIERA McGUFFIN: Yes.

DIANE LANG: Yes.

AARON JONES: Yes.

DIMI PERRAS: Yes.

The CHAIR: Before we get started, does anyone have any questions?

SANDRA GRAY: No.

XAVIERA McGUFFIN: No.

DIANE LANG: No.

AARON JONES: No.

DIMI PERRAS: No.

The CHAIR: That's the admin part out of the way. I invite anybody to make any brief opening remarks. If you could keep those to two to three minutes. Unfortunately I'll use the Chair's prerogative to cut people off after a certain time, because we have limited time for questions. Would anyone like to make a brief opening statement?

SANDRA GRAY: I will. I didn't prepare anything. What I would probably say is that what I've learnt over the last four years is the diversity of the region, and a "one size fits all" is not possible when you have large communities, small regional communities, and then small villages. I think it's very important to not discount the needs of small villages, as well as the larger communities. Then obviously you have, up towards Wollongong, a much more metropolitan approach. Sometimes we feel that people see a region as one thing, but really it's not, and the further south you go, the more difficult that becomes.

The CHAIR: Would anyone like to make any opening remarks from the nurses and midwives, either in person or on the web link?

DIANE LANG: I'd like to refer to the New South Wales Nurses and Midwives' Association submission and I think I'd be happy to go to questions.

The CHAIR: Okay, great. Mr Jones, are you happy to go straight to questions or would you like to say anything to begin with?

AARON JONES: I've just a short statement. First, thanks to yourself and all the Committee members for your work on this. This is a really important issue that our union is pleased to be engaged with. We submitted a submission and we'll be speaking to some of those recommendations. In broad terms we are really interested in

bringing our members' experience to the table—so it's fantastic to have Dimi here from the early education and care sector—and also to speaking to the broad nature of essential work that our members do, and particularly the importance of looking at affordability within the essential worker housing question.

The CHAIR: Wonderful. We will begin with questions. For all people appearing before us, feel free to take any questions we ask on notice and provide details to us at a later stage if you feel more comfortable with that.

Ms LIZA BUTLER: My first question is to Ms Gray. When we think of essential workers and shortages in different industries, what do you see in your job are the barriers to people gaining employment, and is there one area that stands out?

SANDRA GRAY: That's a bit tricky. Any industry that can't find workers would say that their workers are essential, whether you're the hospitality and tourism industry, whether you're health care, or whether you're manufacturing and defence. Getting highly skilled workers here is quite tricky—including getting people to move and then find housing that they might be able to access—because there's very little housing for rent if you're moving quickly. They might have the ability to pay for housing, but they can't find it when they want to come.

You need to be able to come up with a temporary idea until you get your foothold in the region, perhaps. Then you might work out where you might want to go, because you might decide, "I don't want to live in Nowra; I want to live 30 kilometres out, because I want to live in a village". What we see is the difficulty for people who are highly disadvantaged to engage in the employment market, especially young people, at the moment. Housing is critically short for disadvantaged young people who need to leave home for whatever reason. Housing is affecting their ability. If they're not stable with housing, they can't be stable with work. The two really come hand in hand.

The other issue that we have further south, around Nowra, is that transport is still not meeting the needs of people to get to work. You can get a bus to the shop in a nice middle-of-the-day thing. Everybody is retired. You can get a school bus. But, for instance, you can't get a bus from Ulladulla to Nowra to get to work or TAFE. If you wanted to travel to work and you wanted to go home, if you work shiftwork, there are no public transport options for you to be able to do that. If you don't have a vehicle yourself, that is one of the other big issues that affect people's ability to engage in the employment market.

Ms LIZA BUTLER: My second question is to the Nurses and Midwives' Association. I read in your submission that 50 per cent of nurses are renters. If they were looking at essential housing, what does that look like to you?

XAVIERA McGUFFIN: For myself, moving to Nowra, I was looking for housing accommodation. I work in a midwifery continuity of care model, so I needed housing that was in a close vicinity to my workplaces, that was secure and safe—because I come and go at all times of the day and night—and that was also affordable. On a single income, affordability put me into a specific market. Moving to Nowra, I was unable to secure housing within those three things, and had to look to move a 30-minute drive away to live. I'm renting a room in somebody else's home, which is not a long-term, secure option. It's also not a safe option for me in terms of fatigue, driving back and forth to Nowra. It's a one-hour round trip, and I am on call, so I may have to do that sometimes two times a day. Also, it's not safe for the women that I'm responsible for looking after. I'm there as their primary care provider. If I can't be there on time when I'm needed, that's not safe for the women either. Secure housing, affordable housing, and close to my workplace was what I was looking for, and I was unable to find that.

Ms LIZA BUTLER: Was that an apartment?

XAVIERA McGUFFIN: Ideally, yes. Being a single woman, an apartment or a town house would have been a viable option. There were very few in the Nowra CBD area, and the ones that came up went very quickly because they were highly sought after, I assume probably by other health professionals wanting to be close to the hospital.

Ms LIZA BUTLER: Just one quick question to Mr Jones. Do you see regional areas more disproportionately affected by being able to attract key workers, such as healthcare professionals, nurses and midwives, because of the lack of housing compared to major cities and areas such as Wollongong?

AARON JONES: I'll let my colleague from the nurses speak to the healthcare sector.

DIANE LANG: I live in the Bega Valley area, and we rely on a lot of international nurses, as well as local nurses, to support the hospitals. Finding accommodation long term is extremely difficult. It's extremely expensive, and it's very insecure. We have a lot of people who can't drive, so they need to be close to the hospital. When you have rent at \$600 or \$700 a week, that takes a huge proportion out of their weekly or their fortnightly wage, yet they're an essential part of keeping our hospital system open at the moment. That's one of the issues.

Another one, as a person who's at the very end of her working career—I could retire now at 68—finding rental accommodation is extremely difficult when you're my age, trying to find something that's affordable and respectful. You can rent a cheap house but, at 68, you don't want to live in a dive anymore. I could do that when I was 21. I can't do that at 68. So finding affordable accommodation for women in my age group is extremely difficult. We earn too much to get a pension, we earn too much to get a Housing Commission house, but we can't afford to buy or rent another house.

I tried very hard in my early sixties to get a loan. Getting a loan at 60, impossible, so we have a lot of women in my age group who are still working. They're single, for whatever reason, and finding decent accommodation is extremely difficult. We do need some sort of financial support, or some sort of incentive, to enable us women who've worked our whole lives to be able to have decent accommodation close to where you want to live, and where you want to make it a home. You don't want to live in a place that's not a home because, at my age, I want a place that's a home. So good affordability, close to where you work, and close to services—because we all will need more services as we get older.

AARON JONES: In terms of our members and the connection to the healthcare sector—the two groups of our members that we profiled in our submission were our early education and care workers, and our school cleaners. Early education and care, they are both absolutely essential jobs in themselves, but one of the reasons why we lifted that up is the ripple effect that it has on other essential services. The ability to attract nurses is dependent on the ability of those nurses, often, to get places in care for their children. For early educators, who are often on wages that are heavily reliant on the award, affordability is a massive problem in attracting and retaining workers to the sector. The number of available apartments for an affordable amount within regions all across the state is, in some places, virtually non-existent. That really has this ripple effect, both with respect to the available places in those centres, but then the ability of other essential workers to take jobs. I'll maybe let Dimi jump in.

DIMI PERRAS: I've been in Wollongong for the past 20 years and I've studied and raised my children here. I've pursued a career in early education at a local service. Since my divorce a few years ago, I've been living in rental accommodation, and this rent has continued to increase, which has made it really hard for me to maintain that. Half of my income just goes to that rent. I currently have two kids who are living with me. They are young adults, but they face the same unaffordable rental market at the moment. I desperately want to buy a property to ensure financial stability for myself. Even though I have a decent amount of deposit, I am still getting knocked back by banks.

I feel I've done all the right things. I've studied to get qualified in my field and extended my working hours. I'm educating myself, and enriching the lives of children; however, I still get knocked back when I'm going to the bank for a deposit. Based on what I can borrow, there is no realistic option to buy in the Illawarra. That would not suit my family. Sometimes I need to relocate, and right now that's not something that I would want to do. Working is an essential part of who I am. It shouldn't create these trade-offs. Early educators are on the verge of receiving the biggest pay increase in a generation—would hopefully make housing affordability, for myself, something that I can look forward to.

Mr JAMES GRIFFIN: Off the back of that contribution, we heard evidence a little while back from the Police Bank that essentially work with their members, being members of the police force, to go guarantor or support them, in terms of their loan and borrowing capacity, and essentially go in a partnership with them to purchase properties. Are you familiar at all with any equivalent across any of the other—maybe it's for the United Workers Union or the nurses. Is there any equivalent to the Police Bank in different fields or is it quite unique to their offering?

SANDRA GRAY: There used to be quite a lot of teacher housing. There was a process years ago where, in a lot of regional communities particularly, there were houses set aside for teachers when they moved into the region. Because often I think that, when you're moving your family to a new location, finding a rental property when you're not living there is really difficult. I think having the ability for people to come in and have temporary accommodation for, say, three to six months, until you decide where you might be, and you check that the job is going to work for you—because, sometimes you don't even know whether the job is going to fit, and you're moving your family to a different location. I think that there is definitely a need for things like teacher housing, and housing for police, and those kinds of things, where we know that we're going to have those positions in our community, and maybe that would just be a temporary option for people.

Also, aged care is a big issue. Obviously, nurses are in demand for hospitals. I know that many of the organisations that I work with are aged-care facilities, who are quite terrified of what's going to happen with the expansion of the hospital. At the moment nobody—well, I shouldn't say nobody. Very few facilities are meeting the care minutes, because they can't attract enough nurses. We've got federal government regulation telling you—

that's about your star rating and all the rest of it. But you can't attract enough nurses. And, as the Department of Health, rightly so, are offering really good incentives to get people to work in hospitals, we have an aged-care sector that is going to be in crisis when that hospital opens in the Shoalhaven. I think that there is real concern around that.

Many aged-care facilities—and I heard from the previous speakers—are buying houses or renting houses themselves, as is hospitality. It is actually possible, we find, even in small communities, for an organisation to rent a house for their workers. People will give up a holiday rental option if they have the security of knowing that an organisation that they are working with—I live in a community where I am connected to an aged-care facility, we went out to the market, and five people quite quickly said, "Oh, no, we'll rent to that organisation." But people are reticent often to rent properties, because of the tenancy laws. They feel that the tenancy laws perhaps are in favour of a tenant. Equally, they are there to protect both parties. There is often nervousness for people to want to look at secure rentals. Nearly every employer that I work with is renting houses, whether it's in aged care, or others. Club Jervis Bay in Huskisson had no trouble getting five to six houses for their chefs, but they have to rent them themselves, and then they sublet that to their workers.

I think that there is an appetite—and I'm not saying that's right. Maybe people should be more trustworthy about taking on a tenant. But there is nervousness for people sometimes, so they choose the other option. I think we need a selection of housing—temporary, to give people a chance to get a foothold in the region, and then you also need to have enough housing for single people, and young people. I look at all the housing developments I see being built around the Shoalhaven, and I'm really shocked at how large they all are. They all look like little mansions. Even in my own community of Sussex Inlet, there is very large housing being built for families, which is great, but there is very little housing that might be designed for a single person, whether you are a young person, or whether you are just a young couple. I think we don't have the right diversity of housing in our region at all. There are far too many new housing developments, and big houses that are quite expensive, but very little housing that is designed for people that need something smaller.

Mr STEPHEN BALI: I have two issues. One is really focusing on what is a potential recommendation from this forum, and to throw it out there for debate, on the definition of "essential worker" et cetera. My perspective—not the Committee's, at this stage—is really to look at an employee within a local government area and, given the size of this local government area, maybe within 20 kilometres of the job. If we start identifying who are the essential workers, then—with all due respect, the police, nurses and teachers usually get top of the bill, and cleaners, chefs and everybody else gets left off. Every local government area is different. Should a definition be broad enough but still be specific? "You've got to work in the local government area maybe within X kilometres of the job." Would that be seen as a good general definition of essential worker? Every worker who works in the area, from my perspective, is essential. Feedback especially from the United Workers Union would be good.

The CHAIR: We'll start with Ms Lang. She is ready to go.

DIANE LANG: Saying a limited kilometre range is going to be very difficult, because we have quite a few members, as we live quite a ways out in the community, who might drive for an hour. They might be 60 kilometres away from the hospital, because that's where they have chosen to live, and that's where they live. I think putting a limit on distance is going to be difficult when you live in a rural community area. As for skills, every hospital relies on from the ground up. We need to have our cleaners, otherwise we can't open the beds. We need to have our cleaners in the bathroom. The whole way up, we are dependent on every system working, up to the registered nurse, and even up to our Director of Nursing. Trying to put a big, huge barrier on every aspect of health is not going to work. But we do need to honour, and we do need to respect, from my perspective, because I am representing the Nurses and Midwives' Association, the work that we do, from an assistant in nursing in an aged-care facility. Our job is just as important as a registered nurse in a nursing home.

Accommodation is a difficult part in every area. We live in a tourist area, so rent is extremely high, but buying a house is high. How many people can afford a \$700,000 home—a three-bedroom basic house—without some sort of support? We need to be able to have support, in getting a loan and a mortgage, for the people that are in an age bracket that can afford to do it. Somebody at my age—what can I get to support me in my latter days in my nursing career? The whole system does need to be looked at. We need to look at the people on the ground floor. We need to look at what we can do to support every worker that goes into that facility. Yes, we need our cleaners and cooks and everybody else to be supported. But, from my perspective, I'm there representing the assistants in nursing, the midwives, and the registered nurses. What can we do to support them? Accommodation is the biggest issue, no matter where you live. You can live 30 minutes away, you can live 60 minutes away, and it still can be very expensive to do.

AARON JONES: Thanks, Mr Bali, for the question. I think you're absolutely right on the importance of proximity. In early education and care you see a really strong mismatch between where jobs and centres are often located, and where housing is affordable. That leads to extremely long commutes. It leads to burnout amongst educators. Keep in mind that, often, centres are opening at seven o'clock in the morning, so I think you're absolutely right on the importance of proximity. I'd shy away from necessarily putting a kilometre boundary on it, or the local government area, but I think you are absolutely right about the importance of the principle of being able to live close to your workplace.

Mr STEPHEN BALI: My second question picks up on some of the comments people have made, particularly on the quality of accommodation that is available. Some of the terms included that it needs to be "secure, safe, affordable, and respectful". I like the word "respectful". I ask this as a repeated question because, yes, we are trying to get a reasonable mix of housing available. We just talked about the McMansions. What do you think about proposed build-to-rent schemes where there might be units that are approximately 25 square metres? That's basically a bedsit with a bathroom and a small kitchenette, and that's about \$300 or \$400 a week in rent. It may be close to the hospital, close to the workplace, in town centres around the regions, or in Sydney. In the medium term, as people go through separation or death or are on their own—for three to six months, or even a couple of years—is 25 square metres, even if it is brand new, a reasonable, respectful accommodation?

XAVIERA McGUFFIN: As a short- to medium-term option, I would believe so. In my search for accommodation within my budget, within a close proximity to my workplace, many of those properties were in a state of disrepair. They were mould affected, damp affected, unclean, unmaintained, and still wanting a significant chunk of my wage to pay for that. It also just depends on if it is a single person coming, or is it a family? Is it a person with a dog, which also proved to be an issue for me, as a single woman with a dog? Having something like that as a short- to medium-term option that is affordable would be, speaking from a nursing/midwifery perspective, something that would be attainable as a short- to medium-term option.

Mr STEPHEN BALI: To further clarify, it would be like a block of units.

XAVIERA McGUFFIN: Yes.

SANDRA GRAY: I've often thought about the Nowra Showground, which is almost adjacent to where the hospital is being built, and quite underutilised. I have suggested a couple of times to local council, "What about working with Health and thinking about some tiny homes that could be placed there?"

There are really good facilities at the showgrounds. There could be some shared facilities, and there's so much employment up that end, but the comment was made, "Well, that's not our responsibility." I think that it's looking outside the square. There's a very large facility that is a five-minute walk away from the hospital. I think that could be looked at for some housing options. I'm sure there'll be lots of people who will go, "But for the Nowra Show, which happens once a year, that might not work", but it's a big area, and it does seem to me that we need to be thinking a little bit more innovatively about, what are the options where we can meet some needs.

For people who are working at the hospital, if you could walk just up the road, you wouldn't even have to move your car, and you could walk to work safely, with great lighting and all of those things, but I'm not sure there's any thought been given around the land that is near the hospital, and that is currently—I'm not sure of the classification of where the showground is. Liza, you might know. Is it Crown land? Often those showgrounds are on Crown land, but I think it's about doing a scan, and thinking in each community.

The other thing that I've recently had experience with in my own community—we have a big housing development plan of 900 houses, which is going along beautifully, and up to stage three. We were quite excited to think that the developer had put some affordable housing in, but discovered that it's in stages four and five, which of course will be many years down the track, as well as the community facilities, for parks. I think that, generally in planning, we need to be looking where there is going to be housing development, and making sure that affordable housing and things that might be suitable are not pushed to the end of a development so that the high profit is done at the front end. I think that happens all the time, and I think it's just a matter of thinking about it differently. That development has now stalled because of planning delays, and they're going to pull out of that development, only reaching stage two, because they can't jump some council requirements.

I think the general planning needs to be looked at as well because—I approached Southern Cross Housing about some land, wanting them to purchase land in my own community for essential workers, but they said that our community in the Shoalhaven is not targeted for social housing, because Council have said, "Bomaderry's perfect because it's near the railway station." Not everybody needs to get a train. That's a very generalised statement, whereas within a small community, that's quite easy and accessible with lots of essentials—over 150 jobs in aged care, over 200 jobs in a whole lot of other areas—social housing is not being encouraged in small

communities, because of the Council's perception that we should be putting that near Bomaderry because of the station. I think we need to be looking at that as well.

DIANE LANG: Affordable housing should be available to most people. We don't have that many single people working as nurses and midwives and aged-care nurses. We need to have some sort of system, where it doesn't matter if you've got two children or no children, you can have affordable housing. I currently live in an over-55 relocatable home area. That's the sort of system I think would be beneficial for anybody. It doesn't have to have an age bracket. But small houses, affordable houses, with two bedrooms, so you're actually living within a home and you feel like it's a home, not a tiny little compartment that you're only in for three months.

We need to look at how we can offer affordable housing in small built-up areas to anybody—family and/or single people. We can't just go, "Well, somebody can live in a 25-metre place for six months before they get relocated." The picture needs to look further. It needs to look at what can we offer. Down in the Bega Valley area, we don't have public transport easily available. Our hospital is away from the town, so we need to look at what can we offer anybody and affordability. Those relocatable homes—but nice homes that are respectful, and give people pride to live in that house—that's what we're missing.

AARON JONES: If I could jump in on that point as well—I see Dima as well; I'll let you go first.

DIMI PERRAS: Having access to affordable housing near my workplace would mean that educators just like myself wouldn't have to get up early to go to work. We could either walk down to work—some of my fellow educators are catching trains, and leaving the Illawarra to go down to Sydney to work, and that's cost-effective for them. For me, having a pathway to home ownership through essential working programs would be an incredible thing for myself. I want the security of home ownership for the future of myself and my children.

AARON JONES: I will just add that I think the point about the diversity of the type of essential worker housing is important. One of the common conversations I've had with other unions is that you have this problem of housing that occurs throughout people's career, so you have both affordability on their starting salaries, but then, as they progress, potentially you have people actually moving into higher jobs, and you want them to stay in the career. The problem then is them being able to afford to buy, or to have a house that's suitable for a family. So when you're looking at moving out from a share house environment into your own house, or having kids, affordability can actually be a problem there, and can stop people from staying in the profession.

The CHAIR: I might just ask a final question on the back of all of that. This Committee is specifically looking into the provision of essential worker housing, and we note that for different regions and different parts of New South Wales the essential workers that are required are going to differ. But, at the same time, we acknowledge that there is no form of housing anywhere in the state to provide for that cohort. We have a social housing system which is increasingly looking after the most vulnerable in our society. We have community housing which could be providing affordable housing that is suitable for people up to a certain income level, which is often just below the income level of what an essential worker could be receiving in a region.

Then we essentially have the private rental market which, basically, from the evidence we're hearing today, is failing essential workers. So in terms of the provision of housing going forward, what would you like to see this Committee recommending to make sure that we are quarantining specific housing for the workers required to make a region or a metropolitan area actually work and function so that those workers aren't required to travel huge distances or live in inappropriate housing? And if there is this kind of magical, essential worker housing that exists and your members have all had access to it et cetera, let us know about that too.

DIANE LANG: Down in the Bega Valley we don't have metropolitan accommodation really. We all live in a rural, remote area. Some of us do drive 30 minutes to 60 minutes to get to work every day, so it makes it very difficult—how do I say it?—to say "just metropolitan". We do need to work on improving the cost of living. We need to improve our wages, because we are all working on limited wages. But I think this Committee needs to look at how we can support essential workers by subsidising rental income somehow, or promoting safe, cheap accommodation. When you're looking at a \$700,000 loan for a house on a low income, you could never do it. So then you're renting, and you're renting for \$600 to \$700 a week. If you have a family, you can't live in a room, so you have to have a house to rent. We need some way of trying to support the essential workers in order to keep them in the country and to keep them in the state.

We don't have cheap options anymore. There are no cheap houses. There is no cheap rent. I know people who are living in their cars, because they can no longer afford to live in a house, or they get kicked out, because it's holiday time, and somebody wants to rent their house out over the six-week holiday period, and then they can get back in the house. So there needs to be some more support and guarantees for our workers within the rural community—and at any age bracket, because an old fart like me, at 68, doesn't want to live in a dogbox in an old

house. I might have done that when I was 16 or 18 to 21, but I don't want that now. We need to be able to support all areas of age and all areas of health, from an aged-care worker to a registered nurse in a hospital.

XAVIERA McGUFFIN: I am a midwife working in a continuity of care model and know that model of care is looking to be expanded across the state, hopefully. Fatigue is a big issue for us. Living in homes or accommodation that is close to where we work—we can work long shifts, and then have to get in a car and drive home. To drive any distance, like I am at the moment—on single-lane roads, tree lined, kangaroos, no lights—that is a safety issue, and a fatigue issue that leads to burnout.

The CHAIR: Your only option, at the moment, is through the private rental market?

XAVIERA McGUFFIN: At the moment, yes. I can't afford to be renting where I need to live close by. It's not a long-term option for me at this point.

The CHAIR: Do you think that impacts being able to attract people to the profession?

XAVIERA McGUFFIN: Very much so. We're seeing that in the organisation I'm working with. For someone to move to a regional area, and not have accommodation, you're not going to get the workers or health professionals that you need.

DIANE LANG: We survive on overseas nurses. We give them three months accommodation, then they go and find their own rental accommodation. It's extremely difficult for them and very expensive.

SANDRA GRAY: I don't think there's an easy answer, because it is very complex, if you're trying to come up with a model that's going to fit the state. For those workers where we do have suddenly a high volume—like we're going to have with the hospital—it's essential that something's done about that before the hospital is open. Normally, essential workers, there might be two or three changes coming in and out, but where we've got high volume that the state government is responsible for, in building these great big new infrastructure projects, there definitely needs to be an answer, because the pressure you're putting on—and the same will happen in Moruya when that hospital expands. You're putting pressure on a market that is already not coping.

It's the same, then, if you've got other large businesses that are expanding. In the Illawarra, we have many large businesses expanding. With that expansion—a bit like what was discussed with the council before—there needs to be a trigger that is saying, we need to do something about this and not get to a point where we throw our hands up in the air in two years time. Already, the hospital is one year down the track, and one year closer, and we don't have enough housing now.

For Nowra to have a great health system, it's going to be important, because of the volume. Like the union said, you need more cleaners, you'll need more people in the kitchens, you'll need a variety of workers, so you need a solution for that when you're affecting the market. The state government is affecting a market that is already under stress, so I think you've really got to take that—you can't solve every issue. Everyone's got issues. Maybe they're not all the state government's responsibility, but I think that, where you have responsibility, it's so important to have that leadership early, so that you are not actually making that situation doubly worse for everyone else.

The CHAIR: I might ask others if they wish to take that question on notice. It's essentially about what this Committee is seeking to do, which is for that cohort who are not eligible for community or social housing, and for whom the private rental market is not providing availability, to really get to understand that cohort, the type of housing that is or isn't available and recommendations there to be able to deliver that. On that, we will thank you all for appearing today before the Committee. You will each be provided with a copy of the transcript of today's proceedings for corrections. The Committee staff will also email any questions taken on notice from today and any supplementary questions from the Committee. We kindly ask you to return those answer by Monday 13 January 2025. Thanks for having us down here in the Shoalhaven.

(The witnesses withdrew.)

(Short adjournment)

Mr ERIC COULTER, Deputy Chief Executive Officer, Southern Cross Housing, sworn and examined

Ms AMANDA WINKS, Chief Executive Officer, Housing Trust, sworn and examined

The CHAIR: I welcome our next witnesses. Thank you both for appearing before the Committee today to give evidence. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the Legislative Assembly's social media pages. Please inform Committee staff if you object to having photos and videos taken. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

AMANDA WINKS: Yes.

ERIC COULTER: Yes.

The CHAIR: Do you have any questions?

AMANDA WINKS: No.

ERIC COULTER: No.

The CHAIR: Would either of you like to make an opening statement?

AMANDA WINKS: I have prepared a short one, if you would like.

The CHAIR: Wonderful. That would be great.

AMANDA WINKS: Good morning, everybody. I thought it would be helpful to provide some quick context for you this morning. Housing Trust is based in Wollongong. We provide 1,200 homes for about 2,100 people across the Wollongong, Shellharbour, and Kiama local government areas. Much like Southern Cross in the Shoalhaven, we've been operating for about 40 years. Thank you for inviting me to provide evidence today in this important discussion about establishing a definition for essential worker housing and increasing housing supply. In the Illawarra-Shoalhaven there are about 23,000 households living in housing stress—that means that they're paying more than 30 per cent of their income for their home—and 78 per cent of those households are renters. There are 3,700 more households waiting for an offer of social housing, and the median wait time at the moment is about 34 months. So, just in establishing some of those key facts that we're coming to talk about today, I thought it was important to share those things.

In a recent study and some work completed by Business NSW—and I know Paula Martin is joining you later today—93 per cent of local employers report concerns about workforce shortage across key sectors of the economy, and 43 per cent of them highlight a lack of affordable housing as the cause. In giving evidence today, there are a couple of things I'd like to focus on, and I'm really looking forward to the conversation. The question of defining an essential worker—and I guess, in my view, it would be that everybody who is participating in work is essential, and deserves access to a safe, secure, and affordable home—and how we make sure the focus stays on the provision of social and affordable housing for a range of household income types is really important. The definitions, eligibility requirements, and obligations of the Affordable Housing Guidelines, and how we make sure that we continue to utilise those in this conversation, I think, is also really important. Thank you for asking us to join.

The CHAIR: Mr Coulter, any opening remarks, or are you good to get into questions?

ERIC COULTER: I concur with Amanda's summation of the demand for housing in this area. Southern Cross has around about 2,300 homes across the South Coast and Snowy Monaro. Most of those properties are social housing. However, we do have 108 affordable housing properties as well. We've managed those properties throughout the NRAS, and there was a period of development where we developed social and affordable as well in the Shoalhaven area. We've got the skill and capacity to be able to manage the complexity of both social and affordable housing so that they can sit side by side.

We believe that there needs to be not only investment, but perhaps a review of the Affordable Housing Guidelines, in regard to where income eligibility is concerned. We don't believe that the current income eligibility is going to capture the people that are being defined as essential workers, and we have some examples that I can share later on. We would also like to see—and there has been some work done in this area—the pathway for development. Going through council right now is the main pathway. There are two other pathways: the regional planning panels, and also the SSDs, the state significant developments. But there could be scope for self-approval through Homes NSW. We would like to see that considered also.

The CHAIR: Mr Coulter, I don't know if we've had a briefing on this already, but could you also give a brief summary of the type of housing stock that Southern Cross has within the Shoalhaven?

ERIC COULTER: Within the Shoalhaven, we have everything from domestic violence crisis accommodation, we have a facility that has also put aside for crisis and temporary accommodation that Southern Cross operates, we have quite a number of transitional properties that we work in partnership with SHS—or specialist homelessness service—providers, and then we have social housing. We have around about 1,830 social housing properties in the Shoalhaven, so in Nowra, and then about 310 of the 1,800 are in the Ulladulla area. I said 108, but we also have 115 affordables. Of those affordable housing properties, 21 are outside, so 94 are within the Shoalhaven area.

The CHAIR: We'll now go to questions. Feel free to take any questions we ask you on notice if the answer doesn't come to hand immediately or if you prefer to provide further information at a later stage. We will begin with Mr Griffin, the member for Manly.

Mr JAMES GRIFFIN: Thanks for being here today and for your opening remarks. Are there any shared equity schemes or pathways to ownership that you currently work with or provide, or do you think that that is an area that work needs to be done on with respect to essential workers? Obviously housing is a very complex area generally—affordable housing, social housing, community housing providers—but the essential worker piece is one that we're trying to really concentrate on. We just heard some really interesting evidence from the Nurses and Midwives' Association. Is shared equity something that you think is an opportunity to solve part of this problem? Is it something that you have any views on or experience with?

AMANDA WINKS: I'm happy to go first, Eric. As a local community housing provider, our focus is on the provision of rental housing, so it's not an area that we're working in currently. I think there is a conversation, absolutely, that's happening about shared equity. I think all of the opening remarks help us to understand that we are in the midst of a housing crisis, so making sure that we're considering all of the options that are available to us is really important. Shared equity is not my area of expertise, but I think making sure that we consider everything that's available to us—I often refer back to the sentiment that home ownership is the great Australian dream, so how we continue to bring that conversation, and how we continue to consider that as part of the solution, is certainly something that needs to be considered. Again, I'm not an expert, but I think globally there are probably some examples and learnings that we could take here in this country, making sure that what is fairly complex is done in a way where we're using the examples and the learnings that are available to us.

ERIC COULTER: Southern Cross have just gone to a group structure so that we can do just that—so that we can go into partnership with people, and provide opportunities for shared equity. The target group will be essential workers. The target group will be people that are in our housing at the moment, paying market rent. We want to help them to move into home ownership. While some of the details are confidential, it will deal with everything from assisting with the deposit to providing a mechanism within the model for people to have the ability to bring extra income into that shared equity model. Yes, we're doing that right now.

Mr JAMES GRIFFIN: Do you think, over your combined 40 years or so in this industry, or in this space, that that will deliver a step change? I guess the question I'm trying to ask is, obviously there are a lot of levers that need to be pulled by all participants and the government as well. But do you feel that would make a significant dent in the challenge that is ahead of us?

ERIC COULTER: I think that moving people away from, or diverting them away from, the existing stock of social and affordable housing will only assist the availability for people who really need or are going to need the safety net of social housing. But even within our social housing, we are working toward a housing continuum. There will always be people who are reliant on the safety net; we're talking about people with disability, people who are aged, and people who don't have the ability to resolve their own housing needs outside of the social housing sector. But there are those that we are—through different programs, such as our Communities Assist programs that Southern Cross runs, we are developing education, pathways to employment, and engagement with health, to make that middle group, a transitional group, into an opportunity group. The opportunity group will be the group that we're targeting to move out of social housing, either into affordable housing, or into shared equity.

Mr STEPHEN BALI: I have a couple of questions focused on your affordable housing because we're looking at essential workers et cetera. The ministerial directive does allow for essential workers to be included. I suppose you could actually make a provision that essential workers, as long as they fit within the income ranges, are included. From the 108 affordable homes that you have—and I don't want Southern Cross to be too specific given the sensitivities of it, so perhaps you could just give us a general response across the industry—how do they work out the difference? I get the complexities of the amounts and all that stuff—being an economist, assume away reality and focus on one variable.

Is there some data out there or, anecdotally, how do you see the mix between very low-, low- and moderate-income households in the affordable housing space? What would you see in general? Is it more tilted towards moderate? I also understand from the ministerial directives that you have the right to set whatever standard you want. Obviously, even though it's a social enterprise, you've got to have a sustainable model for the business and you can't go broke. Do you find in the industry that most of the tenants are in the moderate-income range or is it shared?

ERIC COULTER: Most of our affordable housing is in the moderate band, and that's who we target. Within the affordable housing guidelines, they're not supposed to pay more than 30 per cent of their income. Affordable housing is 80 per cent of the market rent, so they get a 20 per cent discount. It can go as low as 75 per cent. When you work out the 30 per cent, being the lower bracket, the people who are on very low and low incomes do not meet that criteria. We can choose to take less rent, but that's not financially sustainable for us, so we've targeted—and I'm only speaking for Southern Cross here—moderate-income owners.

Mr STEPHEN BALI: I'm hearing that's across the industry. Based on that, the next question has two angles. Firstly, we've found through previous hearings of this inquiry that there is no real centralised list of affordable housing. Once you got approved, tick—great. I know the state government is currently trying to put this list together. How do we enforce that into the future? When someone cracks the upper limit, what processes are there to visit those tenants and say, "Thank you very much. You need to find another place"? How do you manage that?

AMANDA WINKS: If it's okay, I'll provide an alternative view on the last question. I think the provisions of the affordable housing guidelines do allow for housing allocation between very low- and moderate-income earners. There's a unique and individual policy position that's made in every organisation—and, in fact, every project—around how we make sure that we're bringing in a diverse community, and that we're placing people in housing that meets their needs. From the perspective of the Housing Trust, our focus is actually on making sure that we use the definitions broadly, and that we have a range of income earners in our affordable housing. Absolutely, that creates complexity and challenge in making sure that the program continues to be viable—but, again, how we bring together the subsidies and the funding that is available to us as a for-purpose organisation to support the delivery of affordable housing.

The second part of that is the availability, as you started speaking about, and saying, "In this community, at this time, there's an absolute need for this kind of tenant, or for workers who are going to support a new development or a new facility that's being built." A local allocation strategy would allow you, under the terms of the guidelines, to be able to do that. I think there is flexibility, and I think there is an application at a broader level. I know that CHIA NSW did make a submission. They have done some wonderful analysis around income bands in what you may see as a frontline or essential worker, and how they may need to be changed or expanded to make sure that we're really targeting or capturing all of the people that we'd like to see having affordable housing made available to them. I think that is some really worthy work that has happened.

In terms of capturing affordable housing, I think that we are at the process—Mr Griffin used the words "step change" a little while ago. As a community housing provider, we are absolutely seeing the process happening where affordable housing that's being delivered is being captured through the portals now. We're receiving confirmation, and they're saying, "Please confirm that you'll be the CHP. Please confirm that you will manage these properties in accordance with the guidelines." That will be measured and checked and the balances put in place through the NRSC registration portal. I think that is a really positive step forward. I think that has happened off the back of the focus of delivery of affordable housing through the private rental market.

To Mr Bali's point, how we make sure that remains available and how we make sure it remains treated in the way that it was intended when it is brought to market is absolutely critical. Of course, depending on which element of the SEPP that you're relying on, and where you've been able to get your affordable housing bonus or your uplift, you'll have a time frame where properties need to become and stay available for the purpose of affordable housing. Making sure that happens is imperative. The utilisation and appointment of a community housing provider will certainly help with that. To follow on from that, again, the policy position that's set for us under the affordable housing guidelines, around the annual checking of eligibility, is something that a CHP will routinely do as part of their work.

But, again, we are talking about people, and we are talking about humans who are living in their homes. The way that we work with the family who has reached the upper end of the income bracket, and how we give them time to transition out of the property that they have relied on—perhaps it's close to their children's school and their workplace. So how we make sure we work with them, over a decent period of time, to transition out of that property—or to have a situation where, perhaps, they have had a great year that year, and their income has been higher than normal, so is that an anomaly, and do they then go back to falling within the guidelines? There

is a lot of consideration around the management of eligibility, and how we make sure that people continue to utilise housing that's appropriate for them. Sorry, that was very long.

Mr STEPHEN BALI: No, that was a very well thought through answer off the top of your head. To come back a little bit—if I may, Chair—what suggestions can you put forward for the industry? There is a social licence. The community and even the private sector developers are getting less return for affordable housing, so there is a social licence. Sorry to personalise it, but right now, if I look at Southern Cross Housing's annual report, apart from just saying that there are 200 affordable homes in your portfolio, nowhere in your annual report does it create the three tiers—or even the fourth tier that we are looking at of essential worker housing. How does the general public find out what the industry mix is, as far as what these three tiers are, apart from—as you just said earlier in your answer—"we do all three tiers"? I can see financially that you're not going to be sustainable if you don't focus on the moderate. The moderate is actually 120 per cent—

AMANDA WINKS: Of the median, yes.

Mr STEPHEN BALI: —and I think you're allowed a further 25 per cent, so that accounts for a good year.

AMANDA WINKS: Correct.

Mr STEPHEN BALI: There are measures in the standards, but how do we know that the low-income earners or essential workers—is it a worthwhile recommendation that all annual reports from CHP providers ought to have a break-up?

ERIC COULTER: The majority of affordable housing in New South Wales right now would come under NRAS, the National Rental Affordability Scheme. Every year, every property and every tenant have to be reported on. In order to get the incentive payment that NRAS provides, the tenants need to remain eligible for that period. If they go above that, they can stay within the property for a further 12 months. If they exceed the income eligibility a second year running, then the tenancy has to be terminated in order for you to get the incentive payment. This is all done ahead of time, so people have got good notice. However, there are also people that don't meet the eligibility for NRAS as well. That's where we use our social housing portfolio as a safety net for those people. We use 12-months fixed-term leases, and that triggers an annual eligibility check on every tenant.

As far as moving forward is concerned, only the properties that come under the SEPP or are funded by government or Commonwealth government funding will be required to comply to the Ministerial Affordable Housing Guidelines. People could still build affordable housing guidelines outside of that. They can set their own eligibility, as far as income is concerned—it's only properties that are required under the SEPP, or that have received state government or Commonwealth funding. As far as moving forward, internally, I can tell you that we do annual checks. However, what that looks like, as far as the state government is concerned, as far as "Are you doing these checks? Are these people remaining compliant? Are they remaining eligible?" is something that would need to be resolved in the Affordable Housing Guidelines.

Ms LIZA BUTLER: I'd like to think about opportunities into the future. We know that land is limited. Whether it's Wollongong or the escarpment at the back of you here, it's the same situation. When we think about your existing housing stocks—how old are they, what conditions are they in, what are the block sizes—what opportunities could we do to redevelop some of those to get a better mix into those areas as well as create new housing on land that we already have?

AMANDA WINKS: I'm happy to go first. From a Housing Trust perspective—and of course we're predominantly talking about the local government areas of Wollongong, Shellharbour, and Kiama—we have stock that meets or exceeds state standard at the rate of 97 per cent. The reason that there's 3 per cent at any one time is that we're working through the planned maintenance program. So, again, the compliance obligations and regimes that are in place for community housing providers mean that we hold ourselves to a high standard, in making sure that our stock meets or exceeds the standards that are set for us by the government.

Absolutely, there are opportunities to work with us, and particularly on the stock that we do manage on behalf of New South Wales government, to look at the properties that may be ageing or reaching the end of their natural life cycle, and saying, "What can we do with these?" As an organisation, we've been through a process recently, where we have undertaken a mapping exercise of the properties that we have got, and really had a look at those that have got the highest development capability that are reaching the end of their natural life cycle, and that may provide us with the opportunities to look for uplift and renewal.

That's a really important part of the puzzle. I think that's something that really does need to happen in partnership with the New South Wales state government. The New South Wales state government has been very supportive of us through that process. You have got the direct dealing policy, which I think was put in place in

2020 or 2021. It has been reviewed consistently. I think that, again, there's thinking around that, with the new work that's happening in Homes NSW. How we can continue to work together to deliver that work, and understand the portfolios that we're working in, I think is critical—to answer your question in a really long way. Sorry.

ERIC COULTER: I think estate renewal is really important, when you look at the average age of Southern Cross's stock. If you were to take our affordable housing stock out of it—which is our new stock—the average age would probably exceed 50 years. They're not really fit for purpose, and neither do they address the highest need within the community. Around about 85 per cent of people that are on the New South Wales waiting list are waiting for one- and two-bedroom properties, and yet the majority of Southern Cross's stock are three-bedroom properties. Estate renewal needs to happen. With the use of lazy land—small houses on very large blocks—there's opportunity for redevelopment there.

There's meanwhile use that could be used as well—everything from RTA land, or Transport for NSW land, to land from private developers who just want to sit on that development, and other government land as well. There are many opportunities for development. I don't believe that land is necessarily the limiter of development right now. It's probably funding that is the limiter of development and the availability of builders. Under the new classes of buildings, we've got class 1, class 2, and class 3 buildings. If you want to build a residential flat building, which is probably the best scale that you have for building, you'll need to build with either a class 2 or class 3 builder. The availability of that kind of builder within regional areas is a challenge. Where they are available, we pay a premium for building. Building is more expensive in regional areas.

AMANDA WINKS: I just wanted to add two things from a local perspective if that's okay? There are obviously a couple of things happening at the moment, in the progression of major rezoning and renewal projects. There has been a recent announcement in relation to a rezoning approval at a property in Gwynneville owned by Homes NSW, in an application by Homes NSW, only recently. I think progressing things like that major estate renewal, as Eric has spoken about, is really positive. There are conversations happening around that. There's also the sites that have been identified under the Building Homes for New South Wales land audit. There have been some wonderful announcements about those over the last little while. How we take those forward, and make sure that state government land is being freed up and utilised, is really important. From my perspective, we're seeing—and this is your word again—a step change in the conversation that perhaps we haven't seen before. I think that's actually really good.

The CHAIR: Following on from Ms Butler's question; Mr Coulter, in your opening remark you spoke about how Homes NSW can self approve to assist in the renewal of properties under their control. You both spoke about the opportunities for renewal amongst your stock. When it comes to the provision of affordable community or essential worker housing, could you talk us through how a self-approval process would benefit in the delivery of that? I'll then ask a subsequent question about the current planning processes.

ERIC COULTER: Our current experience with councils is that any large development takes a long time to be approved. To give an example, our Coomea Street development that's being constructed at the moment—we were more than two years in getting our DA approved. During that time, the cost of building went up. It was an anomaly, but we just happened to win that lottery. The cost of building went up by nearly 30 per cent during that period. The delays in the approvals of DAs have not just created delays in the delivery of housing for people, they have also had an impact on the cost of that delivery as well. It is a significant cost. Bringing that to months instead of years would be of great value to any project within New South Wales. Bringing that in, even if it's to piggyback off of Homes NSW's ability to self-approve—they know that they're not dealing with a developer. They know what the building asset standards should be, as far as social and affordable housing is concerned. They have that expertise there already. They are dealing with stuff that they know. We imagine it would be a far quicker process than the current process of going through local council.

The CHAIR: In terms of a lot of the stock that you have, some of it was transferred from what is now Homes NSW to Southern Cross. Had that land not been transferred and had it still been under the control of Homes NSW, they would be able to, in a number of cases, go through a self-approval process to improve that land.

ERIC COULTER: That's correct. We argued that fact on a recent project that we had. The feeling—and I am not trying to assume what people are implying—is, "We've got enough of our own work without having to take on any more from you." That may be the reality of it, but it's not helpful for the process or the delivery of social housing. There are other states that have had pathways for social housing projects to be delivered, and the approval process to be three to four months, not two to three years.

The CHAIR: In terms of the stock that was previously within the Land and Housing Corporation or Homes NSW that is now your stock and managed by you, can you take us through some of the challenges and frustrations with the repairs and maintenance of that stock and the cost of that?

ERIC COULTER: When we took over the most recent transfer—the social housing management transfer—it was approximately 950 properties. The standard of those properties was—after we'd done our PAS—around about 4.64. It's now closer to 6.41, from the investment. There was a significant grant given by Homes NSW for that. But, as I have explained before, you might spend \$50,000 to \$100,000 upgrading a house, but you've still got a 50-year-old fibro house at the end of it. For us to modify a bathroom for disability access, we are looking at around \$30,000 to \$40,000. There is a lot of asbestos removal that needs to take place, and so forth. But the rest of the house still has narrow hallways. It still has narrow doorways. It doesn't comply in any way, shape, or form to appropriate disability standards. That's why we will always look to move people rather than to modify—number one, because of the cost and, number two, because it's not going to suit their needs moving forward. The properties we have right now are not fit for purpose, and we would rather invest what we would spend on our maintenance budget for our properties in developing new properties.

AMANDA WINKS: Again, there are large variances in portfolios across the state, so I think this problem probably ebbs and flows in different places. For us, the range in the portfolio of properties that we manage for the government is—yes, absolutely, we have some properties that are older; we have some properties that are much younger, and that are in great condition and that are fit for purpose. How we continue to deliver and conduct our responsive plan in cyclical maintenance makes sure that we're able to keep those properties in as good a shape for as long as possible. Absolutely, as Eric is saying, the need for social housing, the projections, in terms of ageing population, the people that we're working with, and the demands for smaller property typologies that have less stairs and that are more accessible absolutely exist.

I think the thing that we can't lose sight of is that, on the social housing waitlist waiting for an offer of a home are still families, so I think we absolutely can't afford to just go down one path of saying, "Let's build one- and two-bedders. Let's make sure that we're putting as much on a property as we possibly can." Of course we need to make sure things are feasible, but we're talking about somebody's home. In many instances, we're talking about people who have got one, two, three, or four children. Again, making sure that on these properties we've got a home and a backyard and somewhere where these kids can be close to school and have access to school, and to have all of the availability of amenity, and the things that they need, are also really important considerations, because the waitlist absolutely still includes people who have got children. We really need to think about how we make sure that we continue to deliver a broad range of housing that meets the needs. That's really hard because the needs are broad.

Mr STEPHEN BALI: Sorry, just very quickly, can I recap one of the answers. The two-year delay with council—and we may use you as a case study, if you don't mind, and ask council from their perspective. But from your perspective, when you put in the development applications et cetera and you're talking to council, what do you believe were the delays that council said to you? Was it a time thing?

ERIC COULTER: I think primarily it's a resource thing that Council have had challenges with over the past three to four years. I think that they've found it hard to recruit appropriate skilled staff for the amount of work that they have. I think resourcing is probably the greatest challenge that Council faces.

Mr STEPHEN BALI: So it wasn't actually on your side; it was more there were not enough resources to address the—which is a common issue around New South Wales.

ERIC COULTER: Yes.

Mr STEPHEN BALI: The other thing is, just quickly—and maybe this is a question on notice—I just noticed in your annual report your revaluation of property, plant, and equipment. One year it's up \$13 million and another year it's down \$5 million. Is there any particular reason? Is it just the crazy accounting standards that are out there?

ERIC COULTER: I'll have to come back to you on that.

Mr STEPHEN BALI: It's just that massive changes impact your overall profitability.

The CHAIR: Thank you, Mr Bali, for asking those questions, which will be taken on notice. Thank you both for appearing before the Committee today. You will each be provided with a copy of the transcript of today's proceedings for corrections. The Committee staff will also email any questions taken on notice from today and any supplementary questions from the Committee. We kindly ask that you return these answers by Monday 13 January 2025.

(The witnesses withdrew.)

Mr MICHAEL SABRA, Sabra Company Pty Ltd, affirmed and examined

Mr KIM JONES, Principal Architect, JSA Studio Architects for Sabra Company Pty Ltd, affirmed and examined

Mr JOHN WELLS, Sabra Company Pty Ltd, sworn and examined

The CHAIR: I welcome our next witnesses. Thank you all for appearing before the Committee today to give evidence. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the New South Wales Legislative Assembly's social media pages. Please inform Committee staff if you object to having any photos or videos taken. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

MICHAEL SABRA: Yes.

KIM JONES: Yes.

JOHN WELLS: Yes.

The CHAIR: Do you have any questions before we get started?

MICHAEL SABRA: No.

KIM JONES: No.

The CHAIR: Would anyone like to make a short opening statement?

JOHN WELLS: Yes, thank you, Mr Chairman. The essential employee accommodation issue has been a perennial issue for Australia basically since the Second World War, and some would argue before that. Projects such as Snowy Hydro, the establishment of the nation's steel industry, and the development of the motor vehicle industry caused the immigration program of the 1950s and '60s to be put in place. My family, for example, had an essential worker, in that my father was a steel worker. We migrated here in 1959 and we lived in Commonwealth-provided accommodation, in the form of hostels. The obligation to provide ongoing housing thereafter was undertaken by the state, in the form of the Housing Commission. So the state gradually picked up the longer term obligation to provide housing for essential workers and it's still doing so.

In relation to Shoalhaven, the state Housing Commission prepared a number of housing developments in East Nowra and Bomaderry—the suburb where we're meeting today—for developments such as the pulp and paper mill, then the Fleet Air Arm. More recently, upgrades to HMAS Albatross, the correctional centre, the Princes Highway upgrade—which has been ongoing for a decade—and now the imminent development of a large hospital has generated demand for essential employee housing that I'm not quite sure we're going to be able to meet by 2026.

The capacity of the city to accommodate—Nowra's current vacancy rate is around the 2 per cent mark. On the coast it's even tighter, down to 1 per cent, because of the predominance of short-term rental accommodation for tourism purposes. Sydney investors are moving into some of the new town housing development areas that the city has underway, including Moss Vale Road north and south, Mundamia, Worrigeer—all the developments that were foreshadowed in the *Nowra Bomaderry Structure Plan* of 2007. The zonings for those plans were locked in place in 2014, following the adoption by Council of the local environmental plan that was based on the standard instrument template. Our particular council took five years to carry that across the line.

The SEIFA index, which is an index of the relative wealth or economic wellbeing of a community, in the case of Shoalhaven, is somewhat depressed. The household income in our city is \$200 per week less than the regional average, and even further behind on the state average. Our demographic tanks in the 20- to 40-year age group. We have a high infant proportion and a very high senior proportion—over 65 and beyond. The city needs to work on this issue via its planning instruments and access to areas such as higher education, cultural facilities, economic development, public sector investment, and the like. Forty-six per cent of our population receive some sort of welfare benefit or income support.

Sabra Company has aspirations to provide at least five developments in the immediate future in the Nowra area. The first of these—and the one that this Committee is probably most interested in—is 8 Hyam Street, where it's proposed to build 120 apartment-type units, primarily targeting the hospital staff who will be coming into the city to operate the new hospital. In addition to 8 Hyam Street, Mr Sabra has land acquisitions at 4 Hyam Street across the road, where similar developments are planned. He has aspirations to develop apartments and specialist facilities around the Mandalay Avenue area, and he recently acquired 10 Pleasant Way and has first option on the adjacent tourist park to develop a major housing hotel and commercial development on the riverfront. With those

introductory comments, I can hand over to Mr Jones, who is the designer of 8 Hyam Street, and who designed that facility in accordance with the relevant state codes.

KIM JONES: I actually came prepared to answer questions about it.

The CHAIR: Great. That's all good.

KIM JONES: Please, fire away with questions about it if you're familiar with the project. I'll say briefly that this is essentially a co-living development that we're talking about, and there are others we're looking at. For the help of anybody here who doesn't know what co-living is, it's quite prevalent in Sydney, but it's a fairly new concept in this area. Essentially, it is like micro-apartments, and it's build-to-rent. It's not classed as "affordable housing", but it is very affordable compared to an apartment building. It is restricted in its size; it can only be a certain maximum size and a certain minimum size. It's essentially a managed facility. The management of it can be at different levels, but activities can be curated for the residents, depending on the type of resident.

In this particular instance, we are anticipating that most of the residents will be from the hospital and from the defence department, where we have understood over a number of years that there's a desperate shortage of accommodation. Where people can get this accommodation right in the city, in the town—it's not a city yet—I think this is of great value. Because I've heard of people commuting up to 70 kilometres just to get to work. That just seems ridiculous in a place like the South Coast. I'm here to answer questions, essentially.

The CHAIR: I will hand over to other Committee members, but I might start on the co-living SEPP. You have used the legislation to basically be able to provide what you believe is going to be a form of housing that is affordable, particularly to people who could be working in the new hospital. That's obviously based on the proximity of the development to the hospital, and the fact that this will be new housing for the area. In your engagement with that SEPP and putting in a proposal based on the criteria of that SEPP, do you see there being any opportunities to improve that to be able to specifically make sure we are delivering affordable housing or housing quarantined for essential workers?

KIM JONES: I do think that the SEPP—

The CHAIR: Sorry, I forgot to say this: You can always take any questions on notice and then come back to us with an answer later on. I meant to say that at the beginning.

KIM JONES: Thank you. There are some improvements, I believe, that could go towards the particular clauses that refer to co-living. In particular, although co-living is an affordable product, as it were—it's an affordable rental product but not classified as affordable or social housing—I strongly believe that, like other forms of housing covered by the SEPP, affordable housing and the application of incentives for the inclusion of up to 15 per cent of affordable housing in, for example, apartment developments, should be extended to co-living, because co-living is essentially micro-apartments. New York is full of them. Rightly so, we have apartment standards under the ADG in New South Wales for a studio apartment, for a one-bedder, two-bedder, and so on: minimum area sizes, minimum amenity, minimum balcony sizes. That's all positive, as far as I believe.

I think the ADG is an excellent document, and it's certainly lifted standards of apartments. But to not have an incentive to include an affordable product within a co-living development—in other words, to put that same 15 per cent on as an incentive—means that residents are still subject to general market pressures and have none of that, if you like, pure affordable housing relief. Whereas, if there was an incentive there, the same way as there is in apartments, to include a social housing component, operated by a social housing provider within an overall managed facility, like a co-living facility, I believe there would be a lot of take-up of that.

For example, in one I've recently worked on in Homebush in Sydney, initially, when the SEPP came out—in fact, before the SEPP came out, and there were just notes on it—we were looking at what was included, and originally there were not incentives proposed for all of this housing. We expected that it would apply to this co-living facility, and it turned out that it didn't. Our client in that case—a different client—was quite prepared to do that, and had already commenced discussions with social housing providers to say, "Look, we will give you a floor in this building to be managed by you. We'll manage the rest of it and we'll manage the common spaces."

I'm a strong believer in this. I have to say that I'm in a constant debate at the UDIA with Lisa Sorrentino, who runs City West Housing, who believes that it's better to put everyone in one building. I'm a strong believer in the salt-and-pepper mix. I believe demographic mixes are important for the social cohesion aspect. I think that this idea of being able to mix, and to incentivise that mix, is a positive overall for society. I think that's my main concern. Generally speaking, the SEPP on co-living is good. It provides more amenity than the earlier SEPP. The earlier housing criteria for—there was no such thing as co-living. The decision was made to separate co-living and boarding houses.

Now, boarding houses don't have anything like the same amenity. So, before that SEPP came in, we had boarding houses, and we had what we called 'new generation boarding houses'. That was the name given to them before the release of the SEPP. The new generation boarding house was essentially what co-living is modelled on. In other words, it was a micro apartment with its own bathroom, its own small kitchen, its own laundry—although that aspect is not essential under the new legislation. You can have common laundries. And in some respects, common laundries can be good. They're social spaces as well.

But the opportunity there is to provide these what we used to call 'new generation boarding houses' and now 'co-living', and it's a very good product both for permanent—if you talk to some of the co-living operators, particularly the ones that deal with non-student housing, because some of them deal exclusively with student housing, which is a form of co-living, those people will say to you that they have residents in there that have been there for a number of years. However, there is a restriction on the shortness of time that you can have somebody, and you can't have anybody in these rooms for less than three months. It has the—

The CHAIR: Sorry, Mr Jones. In the interests of time, I might hand over to some other Committee members as well. But you gave me a very fulsome answer to my question and I appreciate that.

Ms LIZA BUTLER: I'm really interested to know, when you're managing this, how you will achieve a balance in meeting the needs of, say, low-income workers—let's use the hospital as an example; they might be the people working in the kitchen, the cleaners, the security guards—and essential workers versus, say, doctors, who might be on a really high income. How are you going to manage all of those priorities? Or is it just first in, best dressed?

KIM JONES: Thank you for that question. It is a pretty even playing field in a co-living environment. There is no preference given to one person or another. However, generally speaking, when these facilities are used by higher income individuals—and they are sometimes, I have to say. The ones in the centre of Sydney, for example—some of them are permanently rented by a company who is based in, say, Brisbane, and has executives coming to Sydney all the time. They're basically renting them full-time, and they're rented out the whole year or sometimes longer. The answer is no, there is no particular preference, but it is expected that some of them will be rented by specialists visiting the hospital. They may rent them permanently, or on a long-term basis—however long they're a visiting specialist. But we expect that the vast majority of people renting these places will be essential workers like nurses, like cleaners, like what you mentioned, as well as civilian workers in the armed forces—will also be, I believe, a primary recipient. I guess what I'm saying is, if you happen to be a high-income specialist, you're not excluded. It's more about the fact that you wouldn't be excluding somebody because of their high income.

Ms LIZA BUTLER: Are you catering to more the transient locums or people coming down for a period of time rather than embedding people into the community who help foster and grow our communities? People living here permanently is what makes a community.

KIM JONES: Exactly. That's what I said about the fact that—

Ms LIZA BUTLER: You are catering to the transient.

KIM JONES: No. That's what I said about the fact that some people stay in these places for a long time. However, it is intended as transitional accommodation for some people. Build to rent, unless it's done as a social housing component, is essentially a transitional arrangement. In Australia, you rent until you can buy. If you are renting a co-living double room, you can save a lot more money, and you can get towards your purchase of a place much quicker. This is what it really comes down to. If people just happened to be only in there for 12 months—and this is very common—we would be expecting that they would be doing so to try and get a leg up to perhaps move into an apartment.

Ms LIZA BUTLER: Is there a time period that people can rent these?

KIM JONES: Not a maximum; only a minimum. There is no risk of it ever being used by tourists because it has a minimum three-month rental period. That wipes out that whole component. You don't have tourists renting these. What you've got is a minimum three months and no maximum.

Ms LIZA BUTLER: And no priority list on income received?

KIM JONES: No, it's not split that way. I think there is certainly a market for the social housing providers to be providing boarding house accommodation. Again, it should be of a similar standard. There are a few things that are different, but it should be of a similar standard. As I said, co-living is affordable, but it's not affordable housing in the social housing sense.

JOHN WELLS: If I might add to that, my thought would be that people use this accommodation in a fairly transient manner beyond the three months in that, as land becomes available on the marketplace, the workers in this facility would be looking to invest in the Shoalhaven, and build homes in the Shoalhaven. That would be my expectation. But, in undertaking research for this Committee, it was brought to my attention by the estate industry that several medical practitioners who own extensive properties along West Street and Shoalhaven Street and Hyam Street have built dual occupancies, so their colleagues and specialists from out of the city can stay with them, and be attached to their practices. It has been happening in an unplanned, ad hoc sort of way. But there is a market up there, close to the hospital, where local specialists and doctors are providing accommodation for their colleagues who visit to consult already.

Mr JAMES GRIFFIN: Moving to the delivery aspect and the building of the dwellings and the apartments and the homes, we heard earlier evidence that there is such pressure and stress on the construction industry predominantly through lack of labour and the cost of goods. Even if they were to magically improve the DA approval process and provide a great deal of certainty, could we keep up with the construction and the supply aspect of it or are we at a point in time where, for a variety of reasons, building the homes and the dwellings and the apartments is problematic?

KIM JONES: That's a very good question because we are short of building trades. This goes right up the line. We have very little control over, for example, immigration policy. Encouraging immigration of trades in building would help a lot. TAFE seems to be gradually getting back on its feet, but there is a lack of apprentices in the building trades—a serious lack of apprentices. People are not becoming apprentices. Dare I say it, being a highly educated person from university, but we've got too many people at university level who have not got work, and not enough people doing trades—and they're earning a lot of money, and they've got good jobs. I think something is a little bit out of kilter there, and that's contributing towards the shortage of labour in the building industry.

Having said that, the other thing that's contributing towards the shortage of accommodation is that it's just not feasible to build apartments at the moment. I can tell you that absolutely. It is not feasible. I work on apartments as well as co-living. In 10 years it's gone from about 20 per cent co-living and 80 per cent apartments to the other way around: 80 per cent co-living and 20 per cent apartments. That's how significantly the bottom has dropped out of the apartment market. People think apartments are very expensive. They cost a fortune to deliver. I was shocked the other day. I was at a UDIA committee meeting—in fact, it was with Lisa Sorrentino at City West. We were talking about the delivery cost for an apartment. I can't remember exactly what it was, but the cost was outrageous. You thought, "How can you possibly get that onto the market for a reasonable price?" You've actually got to sell them for less than they cost in order to meet any sort of an expectation.

Having said that, we have designed the co-living that we're proposing at Hyam Street so that it can be prefabricated. It's a good site for being able to stockpile. We can see this as a prefabricated building that is going to be a lot quicker to deliver. It's going to be a fast build because we're using a system. The type of development lends itself to that, as you would observe if you looked at the plans. This type of building is very suitable for prefabrication; not all apartments are. Apartment buildings are a lot harder to prefabricate. It can be done.

Mr JAMES GRIFFIN: So this one you've specifically done with the workforce for the hospital in mind, generally speaking?

KIM JONES: Yes. That's 120 double rooms.

Mr JAMES GRIFFIN: We heard earlier about Health—and it's not unique to this particular government agency—working in a silo. Health Infrastructure comes in and says, "We're going to deliver the hospital, and we don't want to talk about any of the ancillary issues that might arise from that." You've obviously taken the initiative to get this project up and running. At any point, has someone from NSW Health had a discussion and explored the extent to which you'll be able to get people in there, or the number, or the workforce planning? Or is it just one arm not really talking to another?

KIM JONES: I'll let my client or John answer that because I'm just the architect. I just design buildings.

JOHN WELLS: I've made the comment in another context that when either governments, corporations, or councils plan substantial developments that have implications on demand for housing, the front-end planning should have occurred for that years ago, but it doesn't. As you've said, the silo mentality and bureaucracy is that 'we're building a hospital and the world will somehow catch up'. As a resident of the region, I was very encouraged by the government's announcement yesterday, of a \$25 million enhancement of Wollongong TAFE to provide specifically for trade skills. That's not one minute too late. It's a fantastic move. The benefits of that will flow to the region and beyond in the years ahead.

Most of the significant, big developments that occur around the Shoalhaven—we do have a couple of very capable builders, such as Edwards Constructions, who built the Shoalhaven Entertainment Centre, and also the Bay and Basin Leisure Centre. But the development of the recent Artie Smith Oval—an \$18 million development—went to an Albury company. Other big developments are also outsourced outside the region, including the construction of the highway, of course, which was done by Sydney contractors—national contractors.

MICHAEL SABRA: Initially, we tried to speak to NSW Health, yes?

JOHN WELLS: We did.

MICHAEL SABRA: We tried to reach out. We are pretty close to organising a meeting exactly to your point, to speak about—bring that forward to them. We have to hold hands, basically, and like you said, one hand's not talking to the other.

JOHN WELLS: We don't know whether there are any other players in the field who might be interested in providing accommodation for it.

Mr STEPHEN BALI: If NSW Health or anyone takes out a few of your units, would you allow them to sublet to others?

MICHAEL SABRA: A hundred per cent. It's a head lease.

Mr STEPHEN BALI: At the moment, I'm hearing the positives of what you're doing, and congratulations—it's great—but I'm probably looking more at the devil's advocate side. Someone comes along and rents out a whole heap—10—of your units, what's there to stop them, if they have the ability to sublet, picking up on that holiday market? Because you have no control. You're in the private sector. There are no rules around there. Your whole game, and quite rightly, is the free market, and not being bound by affordable housing, which you don't need to be, so what's there to stop someone hiring out for a whole year, knowing they can rent out these double rooms to the holiday market and they'll probably recover the whole year's rent in three months?

MICHAEL SABRA: We'll be managing this actual building. If a player like NSW Health approaches and wants to have a head lease on 10, 20 or 30 of these apartments, we'll consider that. Anyone else outside who's private, we will not be doing that. We will not take that on for that purpose.

Mr STEPHEN BALI: But there's no reason. That's just you at the moment doing that from good faith.

MICHAEL SABRA: No. This is basically me filtering people that are coming to this particular building. We will be assessing who's going to be coming into this building, their backgrounds. It's a real estate agent's job, basically, if they're going to a rental, they come to the vendor, and they show them all the applications, where you're from, what you do for work, ID, background checks, et cetera. We'll be doing the exact same thing, so unless they are in the essential services field—and we won't be giving anyone any blocks as far as 10, 20 or 30—only to NSW Health and/or the essential services.

Mr STEPHEN BALI: Given you've got 120 rooms, and from 120 to 240 people that may be there at any one time, obviously the chances are you may get a couple of bad tenants. How do you manage that? Have you thought about any processes of managing bad tenants?

MICHAEL SABRA: What do you mean, "bad tenants"?

Mr STEPHEN BALI: If they play the music loud. You know, there's 40 people on the floor. You're building a big thing with lots of people in a small environment.

KIM JONES: I can answer that for Michael. You may or may not be aware that all co-living, as part of the approval, has to submit a plan of management. That plan of management outlines a lot of things like that: in other words, how late you can use the common facilities; what the acoustic limits are in your room; and, quite rightly as well, if you don't pay your rent. All of those factors are built into the management of the facility, and that plan of management is an approved plan of management. It's approved by the authority that grants the approval, whether that authority be the council, the court, or the state government. It's an integral part of the approval. Generally speaking, the management plan for this is quite reasonable. It doesn't propose activity in the common areas after 11 o'clock, I believe, limited again on Sundays. There are a number of factors that deal with that environmental pollution, you might say, that residents might impose on their neighbours within the building.

But, in addition to that, I think this goes to providing new stock, because you probably are also aware that the acoustic requirements have lifted quite a bit from what they were even 10 years ago—a much higher standard of acoustic separation between rooms today than there was 10 years ago. There are all sorts of other standards—light pollution, reflectivity, and all of these requirements really are being lifted under the Act. I think that whilst

it is a real concern, I think it's more of a concern when you put in smaller facilities. For these large facilities, it's much easier to control, in a way. The smaller facilities can be difficult, because you might have a small building of maybe 20 or 30 rooms, and you might have neighbours in houses, and your common space is often something that has got impact to either side, so you end up building—

Mr STEPHEN BALI: I am just mindful of the time. Addressing what you said earlier on incentives, if we do a section for affordable housing, key worker housing or whatever this Committee comes up with, and you were saying incentives—up to 15 per cent of your building was the number you were suggesting. Affordable housing usually means 20 per cent below the market rent. A \$300 rent is your market rent, and your building means it's \$240 roughly, so what's to trade off? Are you expecting an extra storey or what percentage extra?

KIM JONES: Yes, the trade-off I think has been well considered. It was negotiated for quite some time. I was part of the committee formulating recommendations to the government from the UDIA on that. There was quite a bit of time spent getting these incentives sorted out. Eventually, it was settled on a maximum of 15 per cent for a maximum 30 per cent bonus in floor space and height.

Mr STEPHEN BALI: And that would also apply to the co-living—

KIM JONES: What we're saying is that it doesn't make sense to apply that to private apartment developments and not to co-living, given that co-living is actually in itself an affordable product, and parts of it could be even more affordable if it had a social housing licence—if we had a social housing provider managing a part of the development. It's optional anyway. If a developer says, "I'm going to forego the bonus. I'm quite happy to do a co-living housing, and to just meet the essential worker needs, because essential workers are not necessarily qualifying for affordable housing."

Mr STEPHEN BALI: So the construction cost of what you're proposing is around \$20 million or more?

KIM JONES: It's \$22 million.

Mr STEPHEN BALI: Hopefully it doesn't go up too much and doesn't take too long for it to get approval to come through.

JOHN WELLS: I might add to the comments that Mr Jones has made that, if the developer seeks concessions to accommodate affordable housing, and that does include amending the floor space ratio percentages and may also involve variations to height limitations, those two requirements would necessarily require the development to go into the full council for determination. They can't be determined by staff.

KIM JONES: These bonuses or this additional floor space, marginally or significantly, and additional height, marginally or significantly, can be handled without supportive legislation, in the sense that one can always lodge a clause 4.6 on a couple of these controls. You may also be aware that co-living does attract a 10 per cent bonus anyway. Completely private co-living attracts 10 per cent. What I'm suggesting is that an additional 20 per cent for the inclusion of affordable would not be a huge impost on the community, and it would actually benefit a sector of the community. I heard somebody earlier talking about the release of land, and I have to say—and I probably put myself at odds with a lot of people here; maybe even my client—I don't think that there is any excuse to release any more land. I think that's bad for the area, and I think it's bad for the community. What we need is more density. There is plenty of land in Nowra. There is underdeveloped land. That's what I would call it. The centre of the town has no density, no mix, no real vibrancy.

JOHN WELLS: But it has all the infrastructure.

KIM JONES: It has the infrastructure there, so it needs to have the density, and that's where we need to be concentrating. We need to be looking at this very uneconomical house-on-land environment that we've inherited and looking at maybe rezoning those. Mixed use is the best zone, because it's the most flexible, and you can bring in things like cultural activities and stuff like that.

The CHAIR: Thank you all for appearing before us today and for the content you have provided. You will each be provided with a transcript of today's proceedings for any corrections. Committee staff will also email any questions taken on notice from today and any supplementary questions the Committee may seek to ask you. We kindly ask that you return answers by Monday 13 January 2025. Also, please keep the Committee informed as your proposal develops through its consideration process. We'd be interested to follow it.

(The witnesses withdrew.)

Ms PAULA MARTIN, Interim Director, Business Illawarra, affirmed and examined

Dr RONALD SILBERBERG, Individual, sworn and examined

The CHAIR: We will get started with our next witnesses. Thank you both for appearing before the Committee today to give evidence. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the New South Wales Legislative Assembly's social media pages. Please inform Committee staff if you object to having photos or videos taken. Can you confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

RONALD SILBERBERG: Yes.

PAULA MARTIN: I have, yes.

The CHAIR: Before we begin, do you have any questions or require any information?

RONALD SILBERBERG: No.

PAULA MARTIN: No.

RONALD SILBERBERG: I was the managing director of the Housing Industry Association from 1996 to 2013, when I retired. That is my current status.

The CHAIR: Before I invite you to make a short opening statement, I acknowledge that Dr Silberberg has provided the Committee with a new submission. As Committee staff have not had a chance to review it, read it, and then go through the formalities of publishing it, we haven't been able to do that before you appear before us, but it will be something we'll be doing subsequent to today. Obviously, we are happy for you to make any opening introductory statements, but I ask that you keep them brief. If you wish to talk to your submission, that is also very welcome. I will start with you, Ms Martin, and then hand over to you, Dr Silberberg, for any opening statements.

PAULA MARTIN: Firstly, thank you for having me here. I'm delighted to represent the businesses of the Illawarra Shoalhaven region in this Committee hearing. Business Illawarra is part of Business NSW and is a member-based organisation representing the needs of approximately 33,000 businesses across the Illawarra Shoalhaven region. In July 2023 we launched a major advocacy report called *Solutions to the affordable housing crisis in the Illawarra Shoalhaven*—I have a copy of it that I'm happy to share with the Committee—which outlined key issues and possible solutions for all levels of government and industry to explore.

In response to an increasing demand and supply imbalance that is causing an unprecedented level of labour market tightening, we went ahead and tried to get under the covers of what was really going on, in terms of skills shortages. To put it in context, our region has an unprecedented road map of infrastructure, including wind farms, hydrogen energy, steel production projects, and a major master plan that is the size of the Melbourne city on the horizon. These are of national importance, and will require a large number of skilled workers, both pre and post these initiatives. Illawarra First advocacy has achieved notable success in driving outcomes on priority areas for economic development, including major road developments and projects, rail connectivity, and precinct development.

For some more context, the regional labour force grew by 13 per cent during the period between 2016 and 2021, compared to 9 per cent across New South Wales. Shellharbour and Shoalhaven experienced particularly high workforce growth during that period. Four industries account for half of the regional jobs, including health care, social assistance, construction, education, and retail. The region is forecast to grow faster than the rest of New South Wales, at a rate of 30 per cent between 2021 and 2041, with Shellharbour experiencing 39 per cent growth, particularly in the areas of families and children.

Our report found that the region experiences a dramatic affordable housing challenge, with 40 per cent income-to-rent ratio for Illawarra Shoalhaven compared to 30 per cent nationally. The cost of renting a two-bedroom apartment in Shellharbour and Shoalhaven has risen sharply over the last two years—10.7 per cent in Shellharbour and 7.2 per cent in Shoalhaven.

Very low income renters cannot afford the median rent of a one-bedroom unit anywhere across the region. Some 22,700 very low, low- and moderate-income households were estimated to be in housing stress in the region in 2021. For the purpose of our work, a "key worker" was defined as a public or private sector worker fulfilling the function in a business or organisation that it is difficult to operate without who earns either a very low, low, or moderate income. These particularly include hospitality workers, and health and welfare support workers.

The priority groups of key workers, due to their contribution to their regional labour market, in the lowest—that is, very low to low—median incomes include residential and aged-care workers; childcare and preschool workers; personal care workers; health and welfare support workers; enrolled nurses; clerical and administrative workers; construction workers, including entry-level trades, labourers, technicians, and plant operators; retail workers; and nursery and horticultural workers. Most of these workers are not able to work from home, and many are required to live close to where they work due to irregular hours or shift work.

Our report showed that the affordable housing shortfall by LGA across the Illawarra-Shoalhaven is approximately 11,645 additional dwellings needed by 2041. Some 86 per cent of these would be needed for renting households, of which 90 per cent would be for very low and low income thresholds. Some 70 per cent would be needed for singles, and the remainder for families. By LGA, we estimate that we need roughly 5,500 in Wollongong, 2,500 in Shellharbour, 3,200 affordable dwellings in Shoalhaven, and 438 dwellings for Kiama LGA. We also found that the proportion of social housing fell from 6 per cent to 4 per cent during the period from 2006 to 2021 across the region, with a waitlist of 10 years for most types of social housing across the region.

Housing affordability affects businesses in regions across the Shoalhaven, Nowra, and the Illawarra by making it harder to attract and retain staff. In our previous Business Conditions Survey, as recently as August this year, 10 per cent of our respondents said that housing for workers was a barrier to expansion. In the Illawarra, labour shortages have emerged due to workers relocating to more affordable regions or facing unmanageable commutes. Businesses are forced to scale back their operations, reduce hours, or offer higher wages, which increases costs and impacts profitability. For example, industries like health care and education have reported difficulty filling vacancies, exacerbating regional service gaps.

According to our 2024 skills survey, which is being released later this week, the location itself posed a challenge for 27 per cent of New South Wales employers, with many struggling to attract workers to regional locations. Businesses are suffering but regions are paying the price. Our employers face significant location-based challenges that impact on their ability to meet skills needs. When our businesses can't grow, they can't employ people if they have nowhere to live. Businesses are the heart of our community, and play a role in amenity, liveability, and our social city fabric. I am happy to answer questions from here on.

RONALD SILBERBERG: Thank you, Chair, Deputy Chair and members of the Select Committee. I am very pleased to have the opportunity to present. My submission has 24 recommendations traversing a lot of issues, recognising the interdependence of actions by Commonwealth, state, and local governments. Closing the gap on housing affordability will be a slow and steady process. After all, housing affordability has been declining for 30-odd years. Evidence-based policy requires timely and accurate information to ensure that policy and funding support are well targeted and cost-effective. We lack timely information. It is not coordinated; there are many different collections. Not one agency is collating and coordinating that information, which could and should be made publicly available.

A number of submissions raised concerns about the possible diversion of government resources to essential workers at the expense of the most needy. My contention is that essential workers should be integral to the recruitment and retention policies of the major state public sector agencies. The recruitment and retention of essential workers should be like a KPI for senior managers in state public sector agencies like Health, Education, and police. It's a fundamental responsibility, in my view. With two-thirds of traditional essential workers as members of the public service unions, there is a demonstrable need for the employing agencies to be working with public sector unions in identifying the housing needs, results, outcomes, and intentions of essential workers. After all, essential workers are not only the employees of the public sector employer agencies; they are members of the unions.

More than 65 per cent of essential workers are covered by the membership of the major public sector unions. With 35 per cent of the New South Wales population living in regional cities, towns, and villages, the regions are deserving of close attention in policymaking. About 40,000 Sydneysiders a year are packing up their belongings and moving to a regional area. Local councils in regional areas have a critical role to play in efforts to improve housing affordability, for both essential workers and their communities. Shoalhaven Council has resolved to form a representative affordable housing action task taskforce—an initiative the Office of Local Government might encourage other regional councils to adopt.

The leveraging of surplus government land and property for affordable housing has widespread support in the submissions tendered to this inquiry. Other possible initiatives include government and private sector co-investment in affordable housing, government-owned land to rent and build on, as well as rent to buy, which can provide a path for essential workers to transition from renting into home ownership. Some councils are tentative about embracing new approaches to housing affordability. This is where state government agencies can

be immensely helpful in supporting local councils with specialist advice, be it legal, technical, accounting, or financial, as well as undertaking joint development with Landcom and the NSW Land and Housing Corporation.

The Commonwealth effects considerable influence over housing through income support, immigration, and taxation. Despite significant increases in Commonwealth Rent Assistance, 43 per cent of private sector tenants are still in housing stress after taking into account CRA. It is past overdue for the national government to extend Commonwealth Rent Assistance to public housing tenants. That would be worth about \$350 million a year to Homes NSW, which could utilise that funding to upgrade, repair, maintain, and extend public housing stock. In the past two years—

The CHAIR: Sorry, Dr Silberberg. I might ask if you could wrap it up. We have limited time left for questions.

RONALD SILBERBERG: The oversighting of major regional infrastructure investment through the regional coordination units in the Premier's Department could be extended to encompass essential worker housing. We need a whole-of-government approach. Regardless of how meritorious recommendations might be, we need an implementation plan that coheres the different stakeholder interests: government, private sector, and community.

Ms LIZA BUTLER: Thank you both for your time today. Dr Silberberg, thank you so much for this late submission. It's very useful. Hearing from you, Paula, in representing businesses and the private sector, and then thinking about what an essential worker is, we're concentrating on health care, law enforcement, and teaching. But how do we strike that balance between meeting the needs of essential workers and meeting the needs of people on a low income?

The CHAIR: Before you answer, feel free at any point to take on notice any questions that we ask you and provide us the answer at a later stage, if you've got further information or don't have the fulsome information with you.

Ms LIZA BUTLER: I guess we've been grappling with what an essential worker is.

PAULA MARTIN: In order to fully understand the extent of the challenges that this region faces, in order to maximise its economic potential and offer the types of roles that it deserves to offer across the business landscape, we spent quite a bit of time looking at that definition. I think that balance is a really interesting one to explore a bit further. For us, it really boiled down to a key worker being an employee or a staff member that the business could not do without on premises.

We also used an income-based threshold. For us, an essential worker really was based on those workers who earn very low to moderate incomes. It did span beyond your frontline workers: We were looking at hospitality, landscapers, and some of the examples that I gave in my opening statement. For us, the essential worker has to be flexible. For us, it needs to reflect the local economic and workforce needs. That needs a little bit of pliability across regions, because every region has got different industry specialties. But if we come off the base of an income base, then I think we're on our way to looking at essential workers—getting that balance right for each region.

RONALD SILBERBERG: There are substantial regional differences in housing costs, employment conditions, and population pressures. I submit that it would be more than appropriate for central agencies to devolve authority to local councils to exercise a lot more flexibility in determining the housing needs and responses at a local level. Local councils get quite a pasting, but they have representatives who are close to their community.

I know in Victoria the state government supported a research study on essential workers in the City of Melbourne. The conclusion was that it was appropriate to move beyond a conventional or traditional definition of essential workers to consider all of the people who support the work of conventional essential workers. During the pandemic, the National Cabinet adopted a comprehensive approach to essential workers. It indicated the intersection and interdependence within our economy and society of a host of different people. Private employers have a responsibility to establish the housing requirements of their workforce too. It can't rest solely on the shoulders of government.

Ms LIZA BUTLER: I'm hearing, then, that we need to be fluid in workforce demands at a time and not just have one fixed idea of an essential worker. Is that correct? Is that what I'm hearing?

RONALD SILBERBERG: That's my submission, yes. We need to be flexible, at a local level, in how we respond to, say, demand pressures. In New South Wales, in the first decade of this century, population increases were quite modest—less than 0.5 of a per cent on average each year. The stock of dwellings increased by more than 2 per cent a year. In the next 13 years, population increases in New South Wales outstripped increases in the

stock of dwellings, and the investment in new dwellings was really slow. We have a state target of 377,000 new dwelling completions over five years. That averages at 75,400 a year. We have never achieved that number of dwelling commencements in a year. I know the Premier has tried to free up the planning system, which he described as snakes and ladders, and has a high-level, three-person Housing Development Authority.

A previous witness mentioned that the economics on apartment buildings are not particularly propitious at the moment, and that is very true. The cost per square metre of an apartment is about four times the cost per square metre of a single dwelling, and about three times the cost per square metre of a townhouse. It's going to take a few years for the apartment sector to be able to pick up because, currently, the price of established apartments is about 20 per cent to 30 per cent below the supply price of a new apartment. A question was asked before about whether there would be capacity to build an apartment in Shoalhaven. The answer to that is probably yes, because there are apartment builders in Sydney—and one I know has a workforce of 350—who are looking to come here, because you've got a lot of stalled apartment projects in Sydney. KPMG identified nearly 10,000 at 30 June that essentially had stalled because the financial situation is not good. It's not in the interests of builder-developers to lose money.

PAULA MARTIN: May I add just something about your balance as well. A consideration could be given to maybe prioritising a focus on the regions with the more acute labour shortages. That's probably the fluidity that we could look at, in terms of the prioritisation and the balance of the essential workers in which region. If we look at where there is the acute labour shortage, we mustn't forget there's also the silent worker—so the logistics workers, or the security guards. They're all relatively low- to moderate-income earners as well. We need to consider the silent worker in all of this too. We all need security and we all need logistics, and they work at night to get our trucks on the road. So maybe looking at which region has the most acute labour shortages is what could help prioritise the essential worker development.

Mr JAMES GRIFFIN: Thanks, both, for being here today. Having heard the evidence as this Committee has been going, I know there are many parts to trying to solve this challenge and this problem. Often there are some experiences and lessons that we can learn from history. Dr Silberberg, I was particularly interested in your recommendation 19, which is, "Defence Housing Australia, the housing service delivery arm for the Department of Defence, could provide a model for Homes NSW to adopt." I'm very happy for you to take the question on notice. It would seem that there are a lot of parallels in the scale at which Defence Housing has operated over decades that could be applied in New South Wales. Are there any specifics, or just a general view that we should explore some of the things that Defence Housing have done over the years that would be worth looking at potentially adopting?

RONALD SILBERBERG: I think Defence Housing Australia is a very good model to be looked at by the New South Wales government. Homes NSW, which has responsibility for social housing, homelessness, and key workers, might be the appropriate agency to have a division that works with the relevant public sector agencies to facilitate essential worker housing. It would be more than appropriate, were officials from Homes NSW to gain a better understanding of how Defence Housing Australia operates, or where the DHA might agree to a secondment to Homes NSW to do a download of their experiences.

DHA received some seed funding from the Commonwealth when it was established—by my previous boss, actually, from HIA—and it has grown very, very substantially. It is a government business enterprise. Last financial year, it generated \$53 million of profit. It has something in the order of 17,000 dwellings. It can acquire properties from the private sector, and they have to meet some pretty rigorous standards. They have rental allowances. DHA assists with relocation expenses. This is very important. You've got the Western Australian government dangling financial incentives to get our tradespeople to move to Western Australia. The Department of Health and the New South Wales Police have financial incentives for relocation, but it's confined to remote and regional areas. It should be extended to other regional locations, in my view. Shoalhaven City Council recommended looking at Defence Housing Australia as a possible business model. I think it has considerable merit.

Mr STEPHEN BALI: Just exploring your definition, because I think that's one of the key requirements here, I'm more of the opinion that less is better in the definition. Some of it I've just amended to include what you've just said. If you start with this premise and then please pull it apart, an essential worker is predominantly a person required to perform on a worksite—I like that part that you added—living within an LGA and/or within, and I don't know if this is where the debate can come in, 20 kilometres of the required place of work. That definition can probably be expanded to include income et cetera. What we're looking for in this inquiry is what is in essential worker accommodation planning? Essentially, if you're on mega dollars then you're part of the market. What we're trying to do here is make sure that the cleaners—it's not our job to say who are the workers in the local government area.

There are a lot of stats out there that are based on—looking at Shoalhaven, 49,000 jobs are in this area. There's a population of 111,000, roughly, which means, arguably, it's 45 per cent employed, which is really high for any local government area, by the time you take out the elderly and the young people. But we know there's a lot of people coming from outside the local government area, hence that second part of the definition: living in the local government area near that job, or if you're living outside within 20 kilometres, because we're looking at the regions. Is that the easiest and simplest way before we worry about the median rent, income base and all that stuff? Should we just keep the definition nice and simple? If you're performing onsite work, either within a local government area or just slightly outside it, that is really the core definition of what an essential worker is, because everyone is essential that has a job. Or you can take that on notice.

PAULA MARTIN: No, I actually want to answer it. If you look at regional New South Wales, and you look at effective cities, towns, and villages, and you look at what really maximises the potential of that city, the shape of that city, the amenity, the "live, work and play" aspect, we know through research around the world that around a 30-minute live, work, and play is a really nice maximum potential use of the city, town, or village. The challenge we have in the regions is that it could take 30 minutes for you to get from one farm to another, for example. I think we need to look at that carefully. But I think in principle—certainly from the work that we have done and what businesses have told us—if employees or staff are travelling more than 50 kilometres, it puts a serious restraint on the ability of that staff member to get to work on time, or to find alternative care if they have children. It's a challenge.

I'm not sure about the 30-kilometre radius, but, potentially, we already know that, when we are looking at city developments, a 30-minute window for where you live, work, and play, and can actually conduct your life, is probably the maximum for an industry, because then they can replace someone if that person is ill, and the impact on the community lessens. You don't wait six hours to be seen by a nurse. You don't have to rely on a casual teacher, if your teacher is ill, who have to travel 70 kilometres to get to your classroom. I think there's merit in what you're saying. A little bit more work needs to be done around the size of the region and the amenity around the town, village, or city. Does that answer your question?

Mr STEPHEN BALI: That's perfect. As I said to the Chair before, we really need to start to hone in on what the definition of an essential worker is. With all due respect, every person who has come in here—similar to yourself—is saying, "These are the jobs." Everyone gets caught up on the jobs. From my perspective, it's anyone who is employed at that worksite. We can look at the COVID definition, but that was more for if you locked down the state, what do you need at a minimum—on heart support—to keep the place ticking very marginally. To me, every worker is essential. A croupier out here is not essential but in the Sydney basin—in the member for Sydney's electorate—a croupier is very important.

The CHAIR: Your words, not mine.

Mr STEPHEN BALI: I like the roulette table! Ms Martin, I like your use of timing—half an hour—rather than kilometres. That could be applicable to the Sydney basin as well as regional areas. I like the 30 minutes so I'll go away from the kilometres.

PAULA MARTIN: Sometimes you drive 100 kilometres an hour, right? It just depends.

Mr STEPHEN BALI: Not in Sydney.

PAULA MARTIN: Not in Sydney, but I am representing the regions.

The CHAIR: This is a really beautiful part of New South Wales and, really, the world. As we look at the type of housing that is available here, you've got beautiful beach houses and other properties, which can either be for weekenders, permanent housing, or used for short-term letting. We have quite an aged social housing stock in the area. There is other unaffordable private rental stock as well. The area is—as a result of the services, the natural beauty, and cultural investment—clearly booming and is the focus of a lot of government energy and attention. I think the new hospital coming on board is a really important wake-up call that for the cohort that you provided that very helpful definition of, there is actually no quarantined housing. The private rental market is not providing the supply and they can be priced out. They are not eligible for the public housing and community housing because of their income level. This is a question for both of you. What do you see as the most critical policy intervention, whether through the planning system or otherwise, to deliver for that cohort to really see this area flourish?

RONALD SILBERBERG: I have a couple of points. Back in 2021 the Low-Rise Housing Diversity Code was legislated. That has facilitated complying development private certification of more medium-density housing dual occupancies. I think that has been a very important development. Eighty-six per cent of dwellings in Shoalhaven are detached. There may be scope for high-rise apartments. In response to the point about planning

obligations, if apartments are not financially viable without planning obligations, why will they be more viable after planning obligations?

The federal government is providing 4 per cent—I'll call it depreciation allowance—and the state government is providing a 50 per cent discount on land tax. In my submission, I wrote that private bodies like the Property Council are seeking deeper financial incentives from government, and that is because we are faced with a conundrum. It is not profitable. Builder-developers' investors aren't necessarily philanthropic. If we want more institutional investment in this sector, particularly around build to rent, then the exemption of latent defects insurance cover is not a good policy change. Institutions want good-quality construction and long-term asset value. That is the exemption of home compensation for build to rent, whether it be high-rise or low-rise 50-plus-dwelling units. It was not a good decision.

PAULA MARTIN: I might focus on planning, if that's okay, just to try and answer your question. We've been advocating for some time for planning reform, and I'd just like to acknowledge that the current government has been working very hard to look at how we can streamline our planning processes, just acknowledging the challenges. But some of the things we can think about here are around introducing mandatory inclusionary zoning to ensure a portion of our new developments is allocated to affordable housing. If we look at a minimum percentage of affordable housing in all new developments, this policy has been successful in other jurisdictions, and ensures housing diversity, so that might tackle some of the issues that the doctor was just talking about.

In terms of streamlining approvals, we also are advocating for the introduction of a centralised planning concierge. Already we're halfway there with some of the planning that the current government has done; it's all about implementation now. But if we have this centralised concierge planning for essential housing projects, that's a different layer then again to the planning, coupled with the AI tools that already we're piloting across the state, and this will help expedite decision-making.

The final one, really, is around how we can align state and local planning frameworks to eliminate the redundancies and increase efficiency, and ensure that state-level approvals are fast-tracked for projects that meet affordable housing criteria. It's about elevating the affordable housing agenda into the existing and newly developed planning reform, and maybe looking at whether there's a more focused priority through a concierge, or something like that, as part of the overall infrastructure that the government is currently building.

The CHAIR: I thank you both for appearing before the Committee today. You will each be provided with a copy of the transcript of today's proceedings for corrections. The Committee staff will also email any questions taken on notice and any supplementary questions from the Committee. We kindly ask that you return these by 13 January 2025. We thank you for your advocacy on behalf of the region.

(The witnesses withdrew.)

(Luncheon adjournment)

Ms SUZANNE HARRIS, Executive Director, Infrastructure and Assets, Illawarra Shoalhaven Local Health District, before the Committee via videoconference, affirmed and examined

The CHAIR: We welcome our next witness. Thank you for appearing before the Committee today to give evidence. Please note that Committee staff will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the Legislative Assembly's social media page. Please inform Committee staff if you object to having photos or videos taken. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

SUZANNE HARRIS: Yes, I have, thank you.

The CHAIR: Do you have any questions about this information?

SUZANNE HARRIS: No, not at all.

The CHAIR: We will now move to questions from the Committee. Before we begin the questions, I wish to inform you that you may take any question you like on notice and provide the information to the Committee in writing at a later stage. Would you like to make any opening statement?

SUZANNE HARRIS: Yes, I've got a short opening statement that I would like to make. I'd like to thank the Committee for the opportunity to participate in this hearing and to make a short opening statement. I feel very privileged to work for the Illawarra Shoalhaven Local Health District. We have 7,500 staff, who are all dedicated to the health and wellbeing of our various communities. We care for a growing and ageing population of over 422,000 people spread across four local government areas: Wollongong, Kiama, Shellharbour, and Shoalhaven. The district catchment extends about 250 kilometres along the coastline, from Helensburgh in the north to Durras North in the south, spreading us across metropolitan, regional, and rural classifications.

We operate a network of seven hospitals, and provide community health services across 38 locations in our district. We cover some of the most advantaged and disadvantaged areas of New South Wales. Our population is growing and ageing, and from 2016 to 2021 our population grew by 7 per cent, as compared with the state total, which was 4 per cent. Currently, 9.8 per cent of our population is over 75 years old, and this is projected to increase to at least 13.6 per cent by 2041. This obviously has implications for Health.

Over the past few years many of our services have evolved and grown, and this has resulted in the need to attract workers, now, and into the future. We currently have two major redevelopment projects in train. They are the new Shellharbour Hospital, which is a \$780 million program, and also \$438 million for the Shoalhaven redevelopment. The district is also in the planning phase, looking at the futures for Milton Ulladulla Hospital and Wollongong Hospital, in the context of the broader health precinct.

With these expansions, obviously, there are going to be challenges in attracting and maintaining a health workforce. This future health need is recognised by the government in the *NSW Regional Health Strategic Plan 2022-2032*, which emphasises the importance of providing suitable accommodation for health workers in regional areas to enhance recruitment and retention. In the 2024-25 budget an extra \$200 million was committed to expand health worker accommodation in regional areas. This funding aims to support health workers and their families by securing dwellings through construction, refurbishments, or property purchases.

The district is currently working with the Ministry of Health on proposals for key worker accommodation as part of this program, including Nowra, Shellharbour, Milton, and Wollongong. Some of these proposals will consolidate existing dwellings, or be additional to the existing dwellings managed by the district. Currently, the district maintains a number of dwellings through leases, and frequently accesses ad hoc accommodation for the purpose of health worker accommodation on a short-term basis. We welcome the opportunity to support this inquiry as it reports into the opportunities to increase housing supply for essential workers.

The CHAIR: We will now go to questions and, as I said, you can feel free to take anything on notice.

Mr JAMES GRIFFIN: Thank you very much, Ms Harris, for the time to be here and your remarks. Obviously seven hospitals is a huge presence and footprint. Thank you for illuminating the number of proposals that you've got on foot at the moment to consider additional key worker accommodation. Obviously, there has been a great deal of focus on essential worker housing, illustrated by the presence of this Committee and the work it has been doing. Do you feel that there has been a shift or an acceleration of working through some of those proposals, especially given the impending opening and completion of the new Shoalhaven hospital? And have you found that working with Homes NSW or other agencies has been useful, in the context of what a recommendation from this Committee might look like to break down silos between different government agencies and work that's going on?

SUZANNE HARRIS: Certainly, the \$200 million that Health announced for rural key worker accommodation—which is what the government's determination or definition is—has come at a fortuitous time for us, because we will be really challenged around the workforce. We've been working closely with the Ministry of Health, particularly the asset team and Housing NSW, and they've assisted us in developing our business cases, and helping us to think through the different variations that need to be considered as we move forward over the coming years. It has certainly come at a great time, and we have a really good collaboration with the key areas that are supporting us, in particular, within Health.

Mr JAMES GRIFFIN: Do you think that that collaboration or the proposals look like the LHDs taking on leases or the construction of new stock, or a hybrid model? Or would it be working with other entities, such as not-for-profit organisations and the developer community, to understand the workforce and what's needed? Or are the proposals at the moment purely looking at the business case that needs to be built to then go to that next step?

SUZANNE HARRIS: A lot of work that we've done in the background, particularly around the new redevelopments, is around what the workforce looks like on day one, and that's quite critical. This program that we've got for key worker accommodation ties in very nicely with that. It's not just about building new homes. It's about buying homes that are already there, renovating existing premises that we have, and moving away from leases wherever possible, so that we have a level of control over our accommodation, and the standard of that accommodation. That is really important when you want to recruit staff.

Mr STEPHEN BALI: Thank you for the presentation, Ms Harris. I want to explore what James has started off with. You talked about how you're doing all the planning. That's great, but I'm a practical guy—I use the pub test. I'm still trying to work out what that all means. You were saying that you're looking at buying and renovating new homes. You lease homes at the moment, and you also look at the ad hoc short-term basis, to play back some of the stuff that you said. Whether it's on notice or otherwise, can we have a bit more on how it actually works? The leases that you have—let's explore that one only. You lease in the private sector, quite rightly. Then, does the nurse or healthcare worker lease off you guys, or is it free or subsidised rent? How does the model work to attract nurses down here? Obviously, you need somewhere between 400 and 800 new nurses and allied health staff for the hospitals that you're building in Milton, here in Nowra, and elsewhere. What does that look like as far as leases are concerned?

SUZANNE HARRIS: We currently have a number. I think we've got 44 leases across Milton, Shellharbour, Nowra, and Wollongong, which are the areas we're focusing on. We already have those in place.

Mr STEPHEN BALI: For those 44 leases, what does it look like from the employee's point of view? Do you lease it and the cost of the lease is then paid for by the health worker, or do they get a subsidised lease? How does it work?

SUZANNE HARRIS: I think there are various levels. It might be easier to take this on notice. But certainly, there is a ministerial policy around medical officers that dictates how we charge. For example, if you have juniors rotating from Wollongong to Shoalhaven, we are required to provide accommodation without cost. In two of our hospitals we have some internal accommodation—not a lot—but that's available to any staff member, including nursing staff. That's at a rate that's determined very reasonably around, I guess, how critical that position is and how critically it needs to be replaced. We certainly don't hesitate to access private accommodation if we need to for short-term contracts for key workers. As far as some of the other part of the question, I might need to—I'm not sure about how the billing process goes, because I don't have any involvement in that.

Mr STEPHEN BALI: The government put out \$200 million for accommodation for healthcare workers across regional New South Wales. How may that look? Would it be that you buy a block of units, or would that be buying accommodation? How would the \$200 million be spent, and who would have access to that?

SUZANNE HARRIS: We were required to submit business cases for the areas that we thought needed support and additional key worker accommodation. It's a statewide Health program. We've submitted ours. It will be around refurbishing what currently exists, for any properties that we own. We do own some properties and certainly have, at Shellharbour and Wollongong, hospital-type accommodation, so it's refurbishing those things. It's perhaps building new accommodation—throughout the state, there are several areas where they've developed building modular-type houses, and that has been extremely successful out west—and looking to purchase houses that are already on the market. There is a variety of options that we can explore. It'll be whatever is the best value for what we're trying to achieve.

Mr STEPHEN BALI: Finally, how accessible do you feel the department is if developers—obviously, with the announcement of the massive build of a hospital down here, the private sector wants to jump in and maximise their return. They see an opportunity there. Who would they contact? Would it be someone like yourself? If people want to actually partner up with Health and go, "Look, I understand you probably need 200,

300 health workers. What are your needs?" It's one thing you doing your business case study, but if the private sector can supplement the local market here and build something, who would they talk to?

SUZANNE HARRIS: There is a committee on key worker accommodation that's led by NSW Health. I don't sit on that committee; our Director of Strategy, Planning and Performance does. Unfortunately he's away this week, but he could be a starting point. But there is actually a committee at a state Ministry of Health level that would be a good contact point.

Ms LIZA BUTLER: I think we're all on the same theme. Thank you for your time. You may need to take this question on notice, but how does the asset team work with the local council and the local housing providers to ascertain what you need and what you need to deliver for the workforce at—we're using Shoalhaven hospital redevelopment as an example and a case study. How do you determine what you need?

SUZANNE HARRIS: We look at what our stock currently is, because that leasing gives us some breathing space, I guess, and then what we need to add to what our current stock is. But I think we need to determine what the requirements are going to be. For example, for the last 12 months on the Shoalhaven project, we've been working with the district executive, with the hospital executive and with the various services that sit within the hospital—and because we are a network district for the services that sit across all of our hospital sites. So what is day one going to look like? When we did the business case for the project, it went out to 2031, so day one is going to be 2026. We know we're not going to open everything, because everything is not due until 2031. What does day one look like? How many beds do we open, how many nurses, how many doctors—whatever. Once we understand that, we're in a much better position to understand what the requirements are. We do work with the local council around the projects. We're working with Shoalhaven local council at the moment, around the Shoalhaven redevelopment for various elements of the project, not all elements. But I think we have to understand what we need first before we can go further.

Ms LIZA BUTLER: It would be great to know how you work together with local housing providers, local council, with what they might be able to help with and what you've got. But can I just get my head around—with the housing, you seem to be talking about a lot of transient housing. Or is it the permanent workforce that will live here permanently for a period of time while they set up and maybe can transition into their own housing?

SUZANNE HARRIS: There are two parts to it. There is the part that, obviously, we want, for staff who are going to be recruited and retained. That's one part. We do have a mobile workforce, for example, overseas graduates—they come out here. They've got no accommodation. We can find them temporary accommodation through some of the various organisations like Airbnb or whatever until they've got the opportunity to find accommodation. We might need to have locums come down. They might need one night; they might need five nights of accommodation. You actually have to have a mix to be able to meet the various needs that Health has.

Ms LIZA BUTLER: The types of housing—would you do motel rooms? Is it always furnished? How do you do that? How do you then determine the rent that people pay, or is it, if they're coming in as a locum, they get it for nothing?

SUZANNE HARRIS: That would depend. There would need to be a rate that I would imagine—I don't know. This is, again, about the billing side of things, of which I don't really have an overview of. But there are parameters within Health for what you can charge, and how much you can charge. The idea behind this program is that you might buy a house that's already built, or you might build a house, or whatever, but it's about having that at a rate that people can afford. One of the attractions of this is that, by having this type of accommodation, it opens it up to people who might otherwise want to come and work in the Illawarra—the Illawarra is a very beautiful place. We're between the ocean and the mountains. But it can be very expensive. We're bringing that cost down, so we have the opportunity to get a much greater variety of people putting their hand up to come and work with us.

Ms LIZA BUTLER: Would that be one family in a house or is it a share house?

SUZANNE HARRIS: Could be. It could be a share house—three nurses, three doctors. It could be a family. We'll have apartments. It'll be a variety that would suit the needs of the workforce that we have.

Ms LIZA BUTLER: If it's an agency nurse coming to the area to fill a gap because we've got a crisis in healthcare workers in regional areas, do agency nurses get the accommodation provided, or do they have to pay?

SUZANNE HARRIS: I would have to take that on notice. My understanding is that, as I said, at Shellharbour and Wollongong, we have some internal accommodation that can be used and staff use that, either at no charge or minimal charge. As far as anything else, I'm not sure. I'm happy to take that on notice.

The CHAIR: I'm interested in the properties that Health leases. These would be properties that are from the private market that you would then seek to acquire based on the needs. Is that correct?

SUZANNE HARRIS: Yes, we go through a real estate agent. There is now a Health or a government policy around how we manage that. When we require to lease any sort of properties, we go up through the asset team at the ministry, and they work with Property and Development NSW to identify the most suitable and the most reasonable property that suits the needs.

The CHAIR: Knowing that there will always be these needs around hospitals and planning, is there work that is done between NSW Health and Planning or Infrastructure NSW or Homes NSW about making sure there is actually the delivery of housing in these areas to address that ongoing need?

SUZANNE HARRIS: Certainly, the Ministry of Health team, who we work closely with, has a very strong relationship with Property and Development NSW, and also with Housing NSW. I'm not sure exactly what happens at that level because that's above me. But I do know that, when I have meetings with them, Property and Development NSW is often there, and they provide us support, as well as the ministry team.

The CHAIR: It seems to me that the leasing of properties in an area from the private market is a necessary but a reactive approach, whereas this Committee is particularly interested in what are the proactive approaches to make sure that the supply is there for housing that can already be put aside for essential workers.

SUZANNE HARRIS: Some people can't afford to purchase a house or whatever, and leasing is the only option. We had a lot of medical officers, particularly the specialty registrars that come down on rotation from Sydney, come down for three months, six months, nine months, so we need to be able to accommodate them, and we need to be able to reflect on what the demand is. To be honest, housing has never really been our core business. But it's now looking more like that does need to be considered if we are going to maintain a strong and healthy workforce.

The CHAIR: We thank you very much for your time. We may have some additional questions that we will put on notice. We ask that you provide the Committee with an answer in writing by 13 January 2025. Thank you so much for your time. We greatly appreciate it. Committee staff will now organise the next witness.

(The witness withdrew.)

Ms NICKY SLOAN, CEO, Community Industry Group, affirmed and examined

The CHAIR: We will now begin our final session for today. I welcome our next witness. Thank you for appearing before the Committee to give evidence. Please note that the Committee will be taking photos and videos during the hearing. The photos and videos will be used for social media purposes on the New South Wales Legislative Assembly's social media pages. Please inform Committee staff if you object to having photos and videos taken. Can you please confirm that you have been issued with the Committee's terms of reference and information about the standing orders that relate to the examination of witnesses?

NICKY SLOAN: Yes, I have. Thank you.

The CHAIR: Wonderful. Do you have any questions about that information?

NICKY SLOAN: No.

The CHAIR: Would you like to make an opening statement?

NICKY SLOAN: As the peak body for not-for-profit community organisations across southern New South Wales, Community Industry Group represents not-for-profit service providers who deliver homelessness supports, women's domestic violence support services, children and family services, youth services, aged care, disability, generalist community services, neighbourhood centres, and so much more. All of our members support individuals, families, and communities who are experiencing disadvantage or vulnerability.

Across the board, our members are experiencing a workforce crisis. Every single worker is essential in our sector. Access to safe, secure, and affordable housing is a structural barrier to employment for our sector. Wages are low across our services, and with housing shortages and escalating housing costs across our whole footprint, many workers cannot afford a home. Indeed, it is both heartbreaking and ironic to note that a local homelessness service was unable to find housing for some of its own workers. They had workers who were living out of their cars delivering services to other people who were homeless.

As some of the largest employers across our region, our aged-care providers in particular have been forced to desperate measures to ensure the workforce they need to deliver care to older people and also to meet their care minutes requirements. Many aged-care providers are accessing staff from overseas through various programs, including the PALM scheme. However, when they do this, they must commit to providing staff accommodation to all employees for a minimum of 12 months. Even to attract local staff, particularly nursing and allied health staff, many of our members are providing accommodation. This accommodation is being provided through a mix of onsite accommodation. So things like decommissioned nursing homes, and independent living units—which should be for older people—are being redirected to staff. There are provider-owned properties and head-leased properties via real estate, where the provider pays all the bond and all the rent, and then recoups rent from workers at national standard affordable housing rates.

I did a quick calculation with just a few of our members and found they are housing around 400 staff in about 250 properties. The costs to providers are crippling. Providers are paying bonds—it is around \$2,000 a property. It is a significant amount of money off their P&L, or off their balance sheet, and sitting in trust accounts. They are furnishing those properties, right down to the linen, crockery, and cutlery. In fact, one of our CEOs was saying—she is only a small provider with a single aged-care facility—that she is moving the furniture herself. She is making the beds, ready for her workers to arrive. They are attending to repairs and maintenance.

All of the providers that I've spoken to referred to the additional staff time and costs associated with acting as a real estate agent. Additional staffing costs were around \$400,000 per annum for some of our largest providers. That is money that's not going into direct care for those older people. Because they are charging affordable housing rents, in accordance with the national standard affordable housing rates, in many cases, the rent from the staff is not covering the rent for the property. This has a huge overall impact on these not-for-profits' bottom lines. All of these costs redirect funds away from the provision of their core business, which is care for older people.

There are many associated issues with workers living where they work, or sharing accommodation with strangers, or even living in over-55s developments when they are in fact much younger. These issues, actions, and costs are replicated across many other aged-care providers, and indeed many other community service providers right across our region. We often hear our members' solutions to worker housing being referred to as "innovative". I think if you asked any of these providers, they would tell you it's not innovation; it's desperation.

The CHAIR: We will now go to questions. Feel free to take any questions we ask you on notice and provide us with a written answer at a later stage. We will start with Mr Bali.

Mr STEPHEN BALI: For your members and their employees, what, arguably, would be the average wage in your sector?

NICKY SLOAN: Wages are typically low across our sector. A wage of around \$70,000 for a care support worker would be about right.

Mr STEPHEN BALI: And below the \$70,000—say, from \$50,000 to \$70,000—are there a lot of workers in that group as well?

NICKY SLOAN: Absolutely. Of course we often talk about our care staff as the essential workers, but actually our cleaners, our laundry, and our hospitality workers, our admin are also really essential to delivery of services. Certainly their wages would fall in that \$50,000 to \$70,000 a year range.

Mr STEPHEN BALI: Because of the vacancy rate in this area being around that 1 per cent mark, that's impacting, as you just talked about in great detail, on the challenges of finding homes for people to live in.

NICKY SLOAN: Yes. Certainly we have seen such a drop in availability of houses. It's been happening now for many years, but we've seen impacts of things like the bushfires and the take-up of rental by people who had insurance. We certainly saw a lot of people made homeless through that. But I would say the rise of the sharing economy—the short-term rental economy, Airbnb—has been really impactful across our region. It's a beautiful place to come and stay, it is a beautiful place to live, but that has taken an enormous amount of housing stock away from the private rental market.

Ms LIZA BUTLER: Have you seen areas across the Illawarra and South Coast that have more need than others? If so, how are you identifying that?

NICKY SLOAN: We identify it because we speak to our members constantly. You look at the Illawarra, and it's the sheer number of staff across that region. Health and social support services are their biggest employer right across our region, so we have large numbers of staff. In the Illawarra and the northern areas, it is about the quantity of staff that we have that we need to house, as well as the pressures, because rentals are very expensive. But when we get down into those regional areas, the smaller coastal towns, that becomes increasingly difficult for our members. Many of the properties down there are either private holiday homes or Airbnb-type arrangements. That is where our members are finding it really difficult to access staff. Particularly it's very difficult for staff on low incomes to find a place to live which is close to where they work. We are seeing that many of our workers who are on low incomes are living further away and having to travel great distances.

Ms LIZA BUTLER: I have heard also of at least one aged-care facility that has independent living attached, and they are actually giving up their independent living units to house staff. Is that a common occurrence because of a lack of housing?

NICKY SLOAN: Unfortunately, yes. Unfortunately, we've got many members that we have heard are using that solution. They're either using old independent living stock, or stock that hasn't been refurbished, and trying to move their staff into there. That comes with lots of issues. Firstly, independent living is one of the few areas where an aged-care provider can actually make a profit, or a surplus, in the case of our not-for-profit members. So that's a loss of income for them. But it's also very difficult for staff. They're often then living where they work; it's very hard to get away. They're also living in a community full of older people. They don't have people to socialise with of their own age. They're very much more constrained when they're living in that independent living accommodation.

Then the other part is for the older people—a lot of older people have spent a lot of money to buy an independent living unit because they want to live in an over-55s environment, and they don't actually want the younger people living in there with them. There are often tensions between the two groups. It's also less opportunity for older people to socialise as well, because if you've got 10 independent units that are housing 20 staff, that's potentially 20 people who are not going to be your friend, and who are not going to socialise with you. It impacts everybody's experience.

Ms LIZA BUTLER: I have one last question, and you can take it on notice if you like. What do you see as being the opportunities that we are currently missing in essential worker housing?

NICKY SLOAN: We really strongly believe that we need to see an increase in social housing. We would like to see 10 per cent of all housing stock being social housing, public housing or, preferably, community housing. We think that good-quality social housing really impacts the private market. It lifts the private market. Particularly at the bottom end, it would cause people to improve the quality of some of that housing, and it would open up the private rental market for a much broader group of people.

Mr JAMES GRIFFIN: Just a follow-on to that question—are there any providers or operators, specific geographies or areas, or any groups that you think would be worth speaking to or that have done a good job principally in looking at what is the quickest pathway to a solution? We have heard evidence today that suggests that a lot of what is being discussed or changes will not come into effect for another three, four or five years, for a variety of reasons and, hearing from you, it seems like there is not actually that much time to wait. You can take this on notice: Are there any initiatives or things that you think will deliver a quicker outcome? It may not be perfect, but at least it's something to get the ball rolling.

NICKY SLOAN: We would love to see stronger regulation around the short-term rental market—things like caps on the number of days that a property can be available for short-term rental. We'd like to see increased levies on those properties, which could then be used to actually deliver in the community, public, and social housing space. In our region, it's devastating to see the number of properties that sit vacant for most of the year when we know that so many people are homeless, and we do believe that if you could regulate that it would immediately open up more properties to the private rental market.

The CHAIR: The electorate I represent is Sydney. Rental prices there are extremely high and the competition is from renters to renters. Before hearing from you we heard from NSW Health, who talked about the work that they do to lease individual private rental properties, or short-term letting. You also spoke about people within your membership who will then rent properties for staff. So you're not only having to compete within a rental market but you're also having to compete against NSW Health, that has the ability to rent these properties.

NICKY SLOAN: Yes, we compete with NSW Health a lot. We compete, definitely, for worker accommodation, but also for workers themselves. We are, luckily, very friendly with our NSW Health comrades, our collaborators. We get on very well but, yes, we're often competing in the same markets, for the same people, and the same opportunities.

The CHAIR: And sometimes the same properties as well?

NICKY SLOAN: Absolutely, the same properties. Absolutely.

The CHAIR: It seems like a perverse market mechanism that will, potentially, drive up the cost of rents.

NICKY SLOAN: Absolutely. I think one of the other things we'd really like to see is a fair limit for rent increases, because what we have seen for many of our workers is unsustainable rent increases that in no way match their wage increases. We think some mechanisms around that would really regulate the market a little and make it a little bit fairer.

The CHAIR: In terms of the cohort that a number of your members would be supporting, they would likely be people in social housing. We know that cohort, because of the allocation strategies, is becoming a higher needs cohort. I found it very confronting that people are living in cars, looking after other people who are homeless. In terms of that, a lot of the employees of your members wouldn't be eligible, or be able to access because of supply, social housing within the area.

NICKY SLOAN: No, that's true. Most of them are working, and most of them don't want to access social housing, because they believe social housing is for the people who need it the most. But we definitely believe that if we can increase the amount of social housing, we can house people on those very lowest incomes, and that will, in turn, free up some of the private rental. Many of our homelessness organisations are supporting those people in the very greatest need, often with multiple complexities and vulnerabilities. One of our providers was telling me recently—she's on the South Coast—"The best we can do is tell them the safest place to camp." So they tell them the places to avoid when they're camping, and that's about the best support that they can often offer, because there are no houses available for them.

The CHAIR: In terms of engagement with Council or the New South Wales government, in terms of strategies to deliver more housing, is your organisation or are your members consulted? Are there pathways to help resolve these issues?

NICKY SLOAN: We proactively engage with our local government across the region. Certainly, we've been very proactive with them at the moment around residential aged care. This region, Illawarra-Shoalhaven, has the worst bed lock in the country. Somewhere around 150 older people or people with disability are living in hospital because they can't access residential aged care. One of the problems that we have observed is that, often, residential aged care isn't seen as housing. It's often not included in housing strategies at the local government level. But in fact, when we talk about residential aged care, these are people's homes—often their last home. They're separate units within a larger facility which gives them all of the care and support that they need.

They are homes. In turn, when people move into residential aged care, that frees up an existing established home for sale, or perhaps rent. We have been talking particularly with our local government about residential aged

care. Across the Illawarra, there has been no increase in the last 10 years in the number of aged-care beds, so it's really significant. Several of our developments have not been able to proceed because they haven't made it through the development application process. We absolutely think that there are things that local government could be doing to support development applications, both for residential aged care, but also for community housing.

We have also been talking with one council in particular who has a significant amount of community land. They're quite willing to lease that community land to a not-for-profit provider to build residential aged care on it. But, because it's community land, the limitation is that there is a maximum of a 25-year lease on that land. To build a residential aged-care facility costs between \$300,000 and \$550,000 per bed, so it's a significant investment for an aged-care provider to spend that kind of money and only have a maximum of 25 years return on that. We would love to be able to see ways that we could enable long-term leasing of community land that would be available to not-for-profit providers in those residential aged-care or community housing areas, who could then build some quality homes and make them available.

Ms LIZA BUTLER: The newest aged-care facility in the Milton-Ulladulla area is a large provider. They could not open the facility to the full capacity when they first opened because they couldn't get the workers because there was nowhere to live. I've heard that they have said that they will not do any developments regionally in the future until the workforce issues and housing is fixed, because it actually cost them money because they can't open the facility to its full capacity because of the workforce and housing. Is that common?

NICKY SLOAN: As I said right at the start, access to housing is a structural barrier to employment in our sector, because of the wages, and that, in turn, is a structural barrier to service delivery. It's criminal for us to hear about facilities that are sitting idle because we don't have the workforce. There have been many wonderful outcomes from the royal commission into aged care, and into disability services, but there have been some perverse outcomes as well. The care minutes, and the regulations around care minutes, has meant that that one particular provider is not the only provider who is keeping beds in mothballs because they don't have the workforce to meet the care minutes requirements.

Ms LIZA BUTLER: And then that adds to the bed block in our hospitals.

NICKY SLOAN: Absolutely. It is a very wicked problem.

Mr STEPHEN BALI: I have a brief question that may be taken on notice. Thank you for your presentation and for everything you do. It has been very insightful. Is the worker profile in the community sector and aged-care sector predominantly singles, partners, partners with children or singles with children? Is there any type of calculation or way of working that out? Even anecdotally, what would you see on the ground?

NICKY SLOAN: We know in our sector that the workforce is about 86 per cent female. It has often been discussed that one of the reasons why our wages are so low is that care jobs are seen as women's work, and are not valued highly enough. Many of those women are carers as well. Many of those women in our sector do have families, often caring for children, and may often also be caring for parents. Yes, predominantly women, often with families.

Mr STEPHEN BALI: The reason I'm asking is because, to delve into an actual solution, we need real facts and data. If the average wage is \$70,000, looking up this particular area, on average, the rental price is about \$420 per week. That is \$21,000 per year, which is 31 per cent of a person's wage, which actually fits into the affordable context. Obviously, there's a shortage of houses. It's just a matter of whether we can increase it slightly. I'm trying to work out where the problem is. If you earn less than \$70,000 per year—and if you're in a two-income household, you'd probably be better off. I'm trying to work out how we resolve this issue. We need more houses but, at the same time, rental here versus the Sydney Basin is almost in the band of 30 per cent income base.

NICKY SLOAN: Averaging that out with our nurses, certainly our care staff would not be on that kind of base salary. I could come back to you with a better salary range if that would be helpful.

Mr STEPHEN BALI: It's probably more from the essential worker perspective, because I think when a person gets to a certain income level, technically you're in the market and trying to resolve your own challenges. I think what we really want to know is that entry level to the first five years of employment, because you need a lot of those people to come in, or those in social care looking after homelessness. Social workers are not on \$70,000.

NICKY SLOAN: No.

Mr STEPHEN BALI: So, if we can get a bit of a profile, that would be good. Basically if there's any way of working out what that actually looks like in their family as well. Obviously the more children you have to look after or what the household is, that influences the percentage. The rent may look alright on the percentage, but it's no good in cost of living, so to speak, if you're going to support two or three other people.

NICKY SLOAN: I don't know how possible it will be to find out about the family sizes, but certainly we can have a look at the wage profile.

Mr STEPHEN BALI: That would be great. Thanks.

NICKY SLOAN: You're absolutely right that those entry-level care staff are constantly an area that we're looking for more workers.

The CHAIR: Thank you very much for appearing before the Committee today. You'll be provided with a copy of the transcript of today's proceedings for corrections. The Committee staff will also email you any questions taken on notice today and supplementary questions from the Committee. We kindly ask that you return these answers by Monday 13 January 2024. Thank you for your advocacy and the important work that you do. I place a record my thanks to all the witnesses who appeared today. In addition, I thank our wonderful Committee members, the Committee staff, as well as Hansard and the streaming staff for their assistance in the conduct of the hearing.

(The witnesses withdrew.)

The Committee adjourned at 14:30.