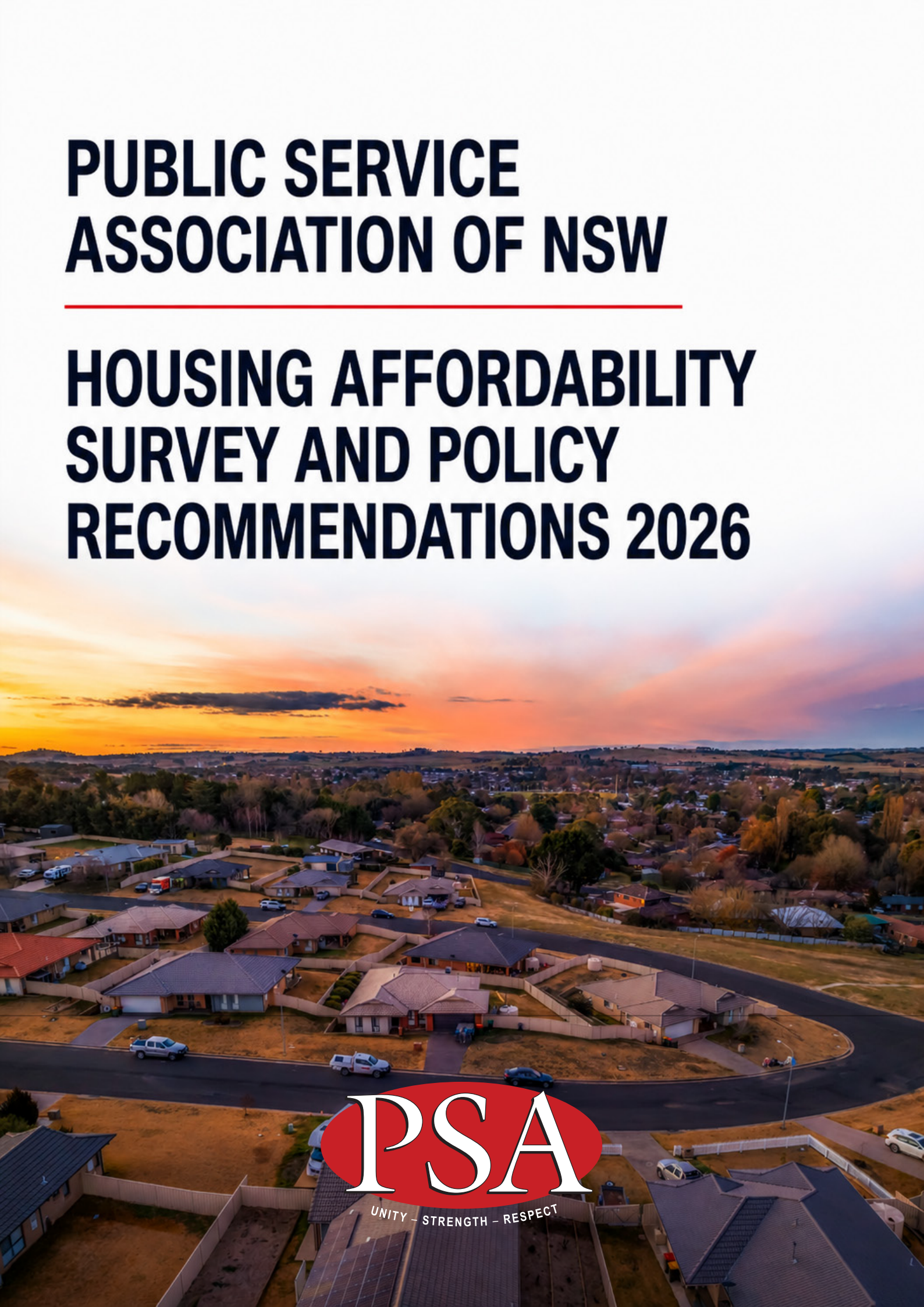
PUBLIC SERVICE ASSOCIATION OF NSW

HOUSING AFFORDABILITY SURVEY AND POLICY RECOMMENDATIONS 2026



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FOREWORD

I grew up in Riverwood, in Sydney's public housing heartland, in the 1970s.

Back then, public housing was not perfect, but it gave working families like mine a secure roof over our heads. We could build a life as part of a community.

Today, that security feels out of reach for far too many people, including the very workers who keep NSW running.

Our report tells the stories of more than 5000 PSA CPSU NSW members who took the time to tell us what the housing crisis means to them. These are child protection workers, school support staff, court workers, prison officers, service staff, planners and frontline public servants. People with good jobs, serving the public every day.

Some are terrified about retirement. Some are one rent increase; one interest rate rise or one relationship breakdown away from homelessness. Some have already experienced it. Worryingly, some stay in violent relationships to avoid homelessness.

Yet many told us they are skipping meals, delaying medical care, commuting for hours each day, trapped in unsafe housing situations or losing hope of ever owning a home. And their stories should concern every level of government.

If government employees cannot afford secure housing, this is no longer just a housing debate. It is a workforce crisis, a health issue, a gender equity issue and a threat to the public services communities rely on. This lack of housing also affects the ability of our members to provide quality services for the community in a range of areas including justice, community services, health, education and housing.

The current housing crisis has been decades in the making, shaped by policy choices, shrinking public housing investment, market pressures and a growing acceptance that housing is primarily an asset rather than a human need.

I am determined to make this our case and make sure our members' voices are heard. We owe that to the workers who shared their experiences with courage and honesty. And we owe it to the wider community that depends so much on a public sector workforce.

Stewart Little

General Secretary
Public Service Association of NSW



PSA AFFORDABLE HOUSING SURVEY RESULTS AND POLICY OPTIONS

EXECUTIVE SUMMARY

This report exposes widespread housing stress among public sector workers who deliver essential services to communities across NSW.

The Public Service Association NSW surveyed more than 5,000 members across metropolitan Sydney and regional NSW in late February to early April in 2026 about housing affordability.

Almost two-thirds of respondents reported spending more than 30 per cent of their income on housing. One in five spends more than half their income on rents or mortgage payments. Housing stress is acute particularly for women, and especially for those aged 45 and over, many of whom face a lifetime of renting and an increased risk of homelessness in retirement.

Housing unaffordability is driving long commutes, missed career opportunities, and trade-offs between housing costs and paying for food, medical care and dental treatment. Some of our members report current or past homelessness despite having jobs. Others remain in unsafe or abusive living situations because they cannot afford to leave. Homes NSW staff report significant distress from their inability to secure housing for their vulnerable clients while facing housing insecurity themselves.

The survey demonstrates the housing crisis is no longer confined to low-income households. It increasingly affects those on middle incomes who deliver services across NSW. The lack of affordable housing presents risks to workforce stability, health, safety and service delivery across the NSW public sector. Addressing these challenges requires coordinated action from the NSW and Australian governments.

The PSA is calling for a housing strategy based on five key priorities:

1. Expand public housing

Expand housing supply, with targets to increase public housing to 6 per cent of all housing stock in the medium term and 10 per cent in the longer term.

The NSW Government should explore the feasibility of establishing a public sector workforce to construct and maintain public housing to end reliance on asset sales to address maintenance backlogs, ensure public housing remains in government ownership and provide a pipeline of trade apprenticeships. The Federal Government could ensure that no GST is charged on construction and maintenance of public housing to reduce costs.

Encourage mixed-tenure developments that integrate public, affordable and private housing to reduce the risk of social stigma.

2. Accelerate housing delivery

The NSW Government should use modern construction methods, including prefabricated modular housing to accelerate housing delivery. It should examine the feasibility of establishing a modular prefabricated housing factory to support an ongoing pipeline of public housing and include prefabricated modular housing in the NSW Housing Pattern Book.

3. **Improve access to affordable housing for key workers and strengthen security for renters**

Eligibility for essential worker housing should be extended to include public sector workers who spend more than 30 per cent of their income on private rent, particularly in areas where vacancies are difficult to fill. Affordable housing rents should be based on household income rather than set as a discount on market rents.

The NSW Government should fulfil its pre-election commitment to require developers to provide at least 30 per cent affordable housing on surplus public land. Affordable housing delivered through new developments should remain affordable in perpetuity and not revert to market housing after 15 years.

A trial of innovative cost-based and shared equity housing based on successful European models should also be explored, using surplus public land and Australian Government loans, to preserve long-term affordability and security.

Annual increases in private rents should be capped, and longer leases made available to strengthen housing security.

4. **Simplify planning rules**

Planning reform should streamline approval processes and establish clearer development standards to support greater housing diversity and more gentle density. This should include allowing three-storey townhouses and apartments on all residential land in cities.

5. **Strengthen support for vulnerable groups**

Social housing eligibility should include a specific category for vulnerable people aged 55 and over, particularly women. Governments should also consider providing discounted-interest loans for public sector workers, including women fleeing domestic violence and workers aged over 45.

Housing stress among public sector workers presents risks to workforce stability and the delivery of essential public services. Coordinated reform to improve housing security and support key workers will better serve communities across NSW.

LITERATURE REVIEW

The report's literature review confirms a long-term decline in Australia's public housing, with supply failing to keep pace with population growth and increased need. Authoritative sources confirm that chronic under-investment, policy neglect and heavy reliance on subsidies and private rental markets have contributed to the housing affordability crisis in NSW and other states and territories.

The research suggests that increased housing supply alone will not improve housing affordability, without a major expansion of non-market housing options, which are delivered in perpetuity. The evidence highlights growing rental stress among working households, rising homelessness (even among people in employment), gendered risks for older women, and structural failures in Commonwealth Rent Assistance and investor-focused tax settings. International housing examples demonstrate that cost-based and other equity-based housing models offer alternatives to achieve stronger rental protections and long-term security for key workers who are locked out of the housing market. Planning and tax reforms offer further benefits.



INTRODUCTION

NSW PUBLIC SECTOR HOUSING AFFORDABILITY CRISIS

A landmark survey of more than 5000 school learning support officers, child protection workers, court staff, rural fire service staff and other key public sector professionals reveals that housing stress is widespread, deepening and no longer confined to low-income households. Nor is homelessness a reality only for people out of work.

Housing has become increasingly unaffordable and home ownership is becoming more unattainable for tens of thousands of public sector workers, who deliver essential services to the community.

The Public Service Association NSW surveyed 5172 of its members across the state about housing affordability between Tuesday 24 February 2026 and Wednesday 1 April 2026 to inform its housing policy. Survey participants who completed the survey online represent more than 10 per cent of the PSA's 42,000 members. Nearly two-thirds of respondents (64 per cent) are female and a third are male.

The survey shows that almost two-thirds of all respondents report they are in housing stress, paying more than 30 per cent of their incomes on rents and mortgages. One in five pays more than 50 per cent.

The respondents are evenly spread across metropolitan and regional locations and across ages, from 18 to 66 and older. This reflects the broader PSA membership and public sector workforce profiles.

Half of respondents live in the Sydney Metropolitan area and 48 per cent live in regional areas, with 2 per cent in remote parts of NSW. Most (92 per cent) are in ongoing work and 6 per cent are temps.

More than half (52 per cent) of the 5148 respondents are between the ages of 36 and 55. A quarter (24.9 per cent) are 56 to 65, and 4.4 per cent are 66 and older. Those aged between 26 and 35 represent 16.7 per cent. There are 95 respondents between 18 and 25.

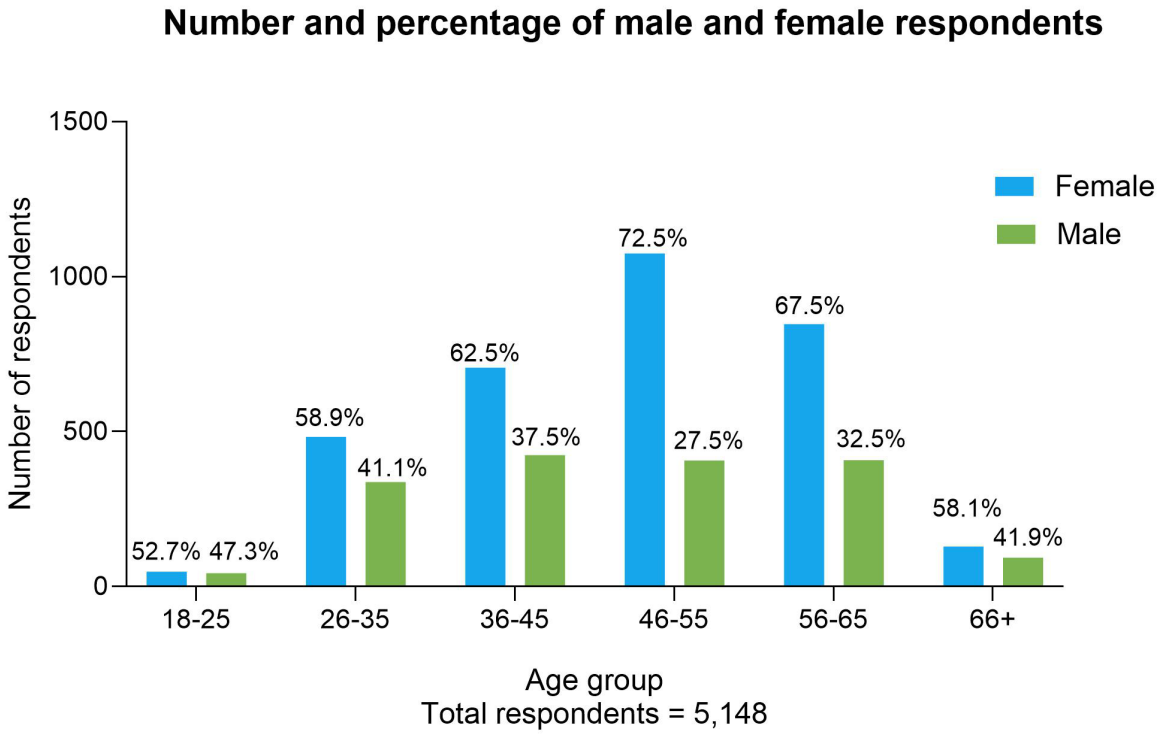
More than half of respondents are home owners – 51 per cent have a mortgage and 10.6 per cent own their homes outright. Those in private rentals represent 37 per cent. There are 45 people living in public housing or community housing.

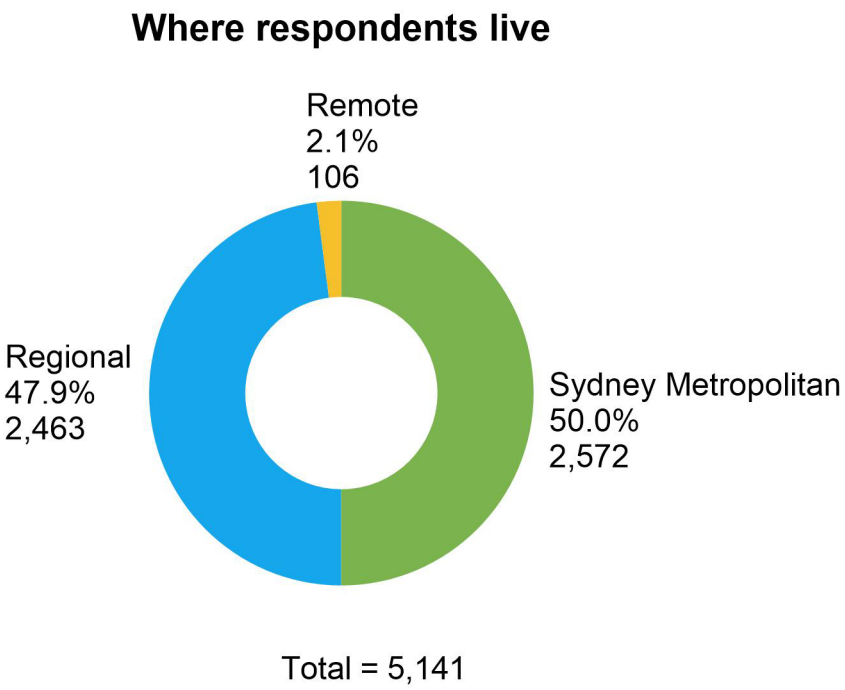
A disproportionate number of respondents in housing stress, paying more than 30 per cent of their wages on housing, are women and almost a quarter are aged 45 and older, including many who are approaching retirement.

A common refrain from respondents is that they are only a rent or interest rate rise away from losing their homes. Many women aged in their 50s and 60s report they face the risk of homelessness in retirement.

Despite having jobs, four people report they were homeless at the time of the survey.

The survey also reveals that 62 PSA members are living in shared accommodation with an abusive partner. That 47 of them said they cannot afford to leave is a confronting indictment of a housing crisis trapping people in unsafe situations.





THE PUBLIC SERVICE ASSOCIATION OF NSW

The Public Service Association of NSW represents 42,000 public sector workers, who provide essential support to students, teachers and families in schools and protect the safety of the state's most vulnerable children at risk of neglect and abuse. These workers also support the delivery of disability services, manage the prevention of and response to natural disasters, including fires and floods. They staff our courts, prisons, national parks, museums and art galleries.

While the PSA represents a broad range of occupations, it is united in its commitment to serving the community, including the most vulnerable children and families in NSW.

The findings of this report come at a time when urgent reform is needed to address a national housing crisis, with Sydney at its epicentre.

PSA members are well placed to speak about the impact of housing affordability in their communities and on their own lives, as low- to middle-income workers.

Our survey highlights the growing struggle that most public sector workers face to secure a home they can afford, within a reasonable commute to work. Their commitment to serving the communities that need their support should not come at the cost to their own health and wellbeing.

The survey results demonstrate this line has already been crossed. Many respondents report skipping meals and avoiding visits to the doctor and dentist so they can pay for housing within reach of their workplaces. With typical commutes ranging from one to three hours, and in many cases from four to five hours or more, too many of the state's key workers sacrifice time with family, sleep and recreation while neglecting their own health.

THE PROBLEM

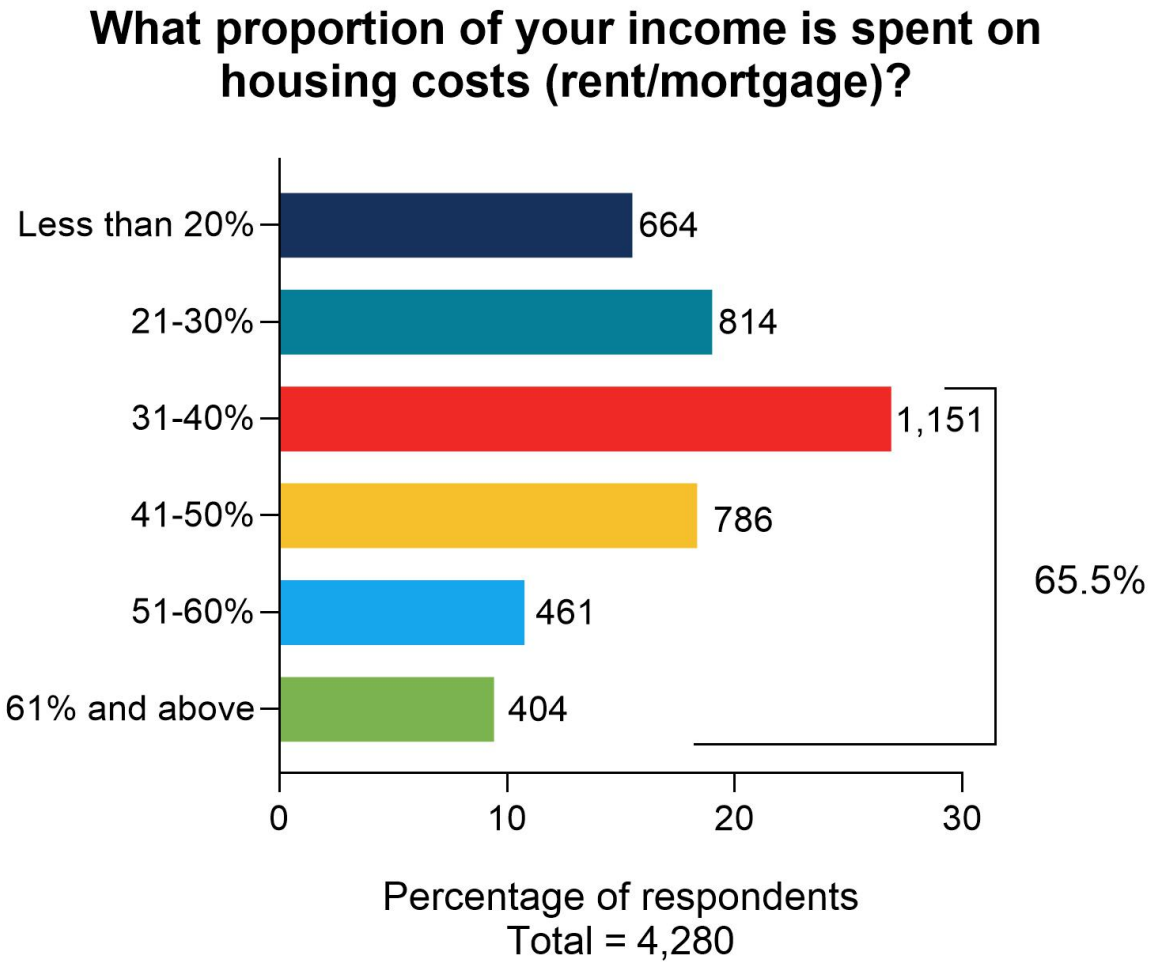
THE PSA NSW AFFORDABLE HOUSING SURVEY RESULTS

Almost two-thirds (65.5 per cent) of 4280 respondents who responded to a question about housing costs said they were paying more than 31 per cent of their income on rents or mortgages.

The Australian Institute of Health and Welfare (AIHW)[1] and ABS describe[2] households that spend more than 30 per cent of their gross income on housing costs as being in “housing stress”.

Women of all ages accounted for 64 per cent of respondents who were in housing stress.

More than 18 per cent of 4280 respondents said they spend 41 to 50 per cent of their salaries on housing, 11 per cent spend 51 to 60 per cent and 9.4 per cent spend 61 per cent and above of their wages on rents or mortgages.



[1] Australian Institute of Health and Welfare. Housing Affordability fact sheet. 18 October 2025.

[2] Australian Bureau of Statistics. Survey of Income and Housing. 2019-20 FY. Released 28/04/2022.

According to national housing campaign group Everybody's Home index of affordable rentals, a single person now needs to earn $130,000 a year to rent a typical unit, without spending more than 30 per cent of their income.[3]

Most PSA survey respondents are in that category, earning below $130,000. About 79 per cent earn salaries from under $50,000 to $130,000.

Figures from CoreLogic[4] released in 2024 reported the median cost of a rental property was more than 30 per cent of the median household income in the Greater Sydney Region. The most recent update from Cotality (CoreLogic's new name) shows that Sydney remains the most expensive city in Australia, with the median rent up 5.9 per cent year on year to $824 per week in March 2026[5].

Of the PSA members who pay between 31 and 60 per cent or more of their wages on housing costs, 18 per cent earn below $70,000 per year.

Housing affordability also impacts on middle-income earners of between $70,000 and $110,000 per year who account for 44 per cent of respondents who pay more than 30 per cent of their income on rents or mortgages.

About 41 per cent (40.81 per cent) of 4284 respondents describe their housing as unaffordable or very unaffordable. Of those, 68 people said they were unable to meet their housing payments.

More than 42 per cent (42.38 per cent) of 4271 respondents said the cost of housing has meant they have missed meals and delayed or avoided seeing the doctor or dentist.

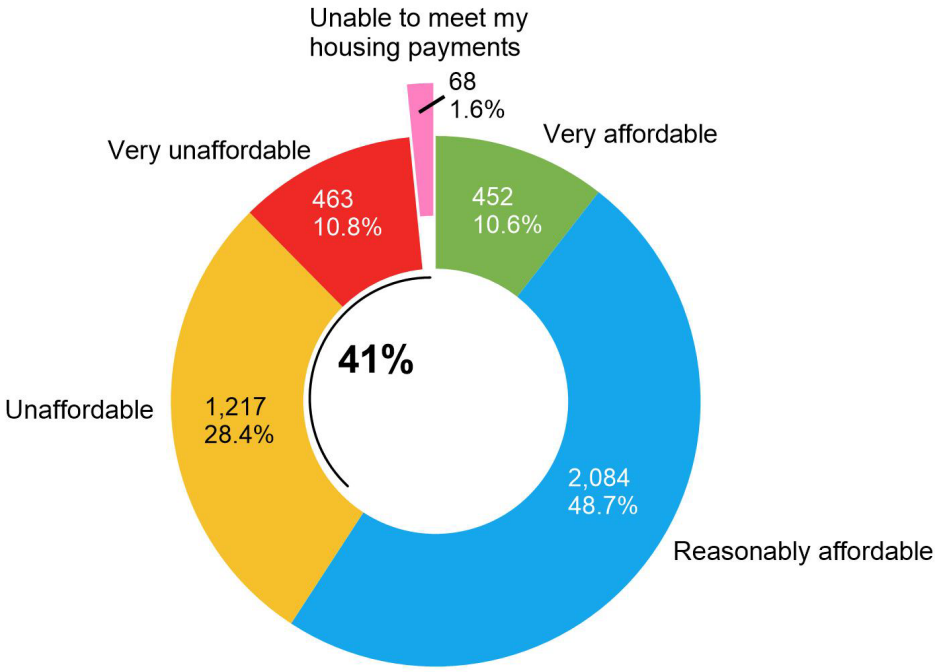
Despite being in ongoing employment, a significant portion of key public sector workers are struggling to pay for essentials including food, medical and dental care, fuel and basic clothing, even on middle incomes.

[3] Everybody's Home. *Priced Out: An Index of Affordable Rentals for Australian Voters* (3rd Edition, March 2025) p6

[4] ANZ CoreLogic Housing Affordability report April 2024. p2, p17

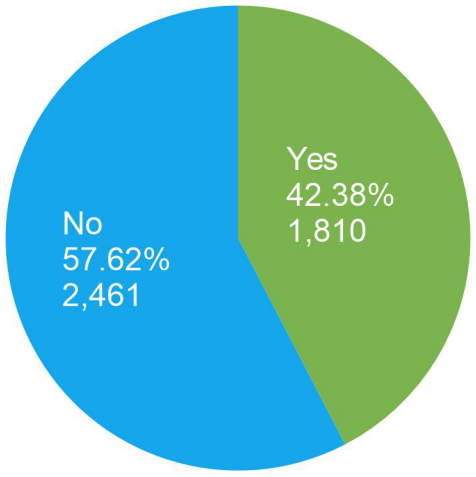
[5] Cotality. Quarterly Rental Review. Australia. Released April 2026. p3

How affordable is your current housing based on your salary?



Total respondents = 4,284

Have your accommodation costs impacted on your ability to buy essentials?

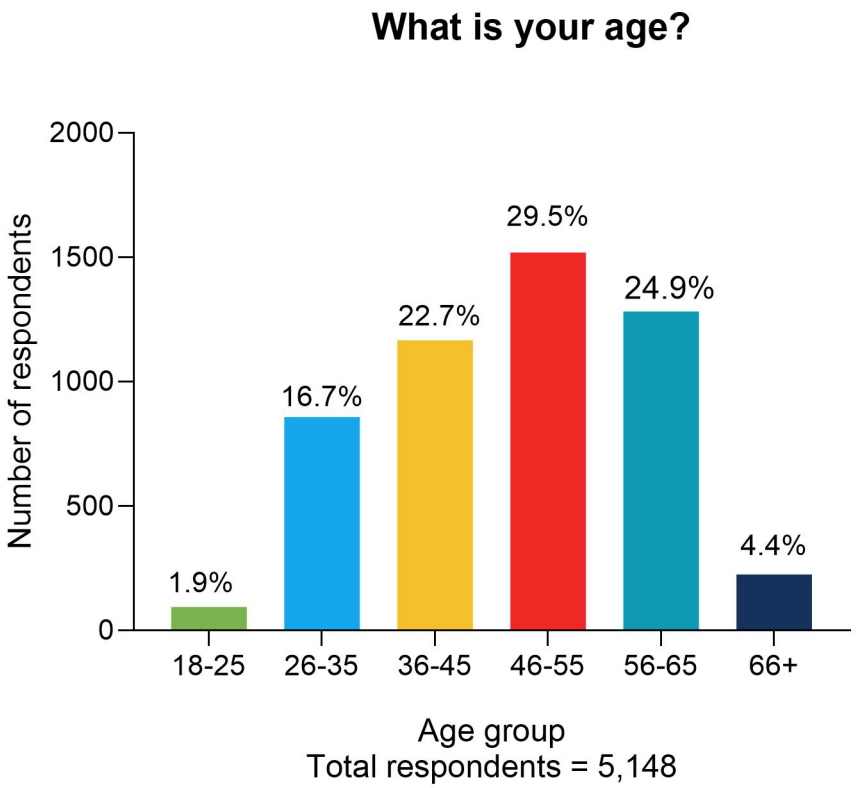


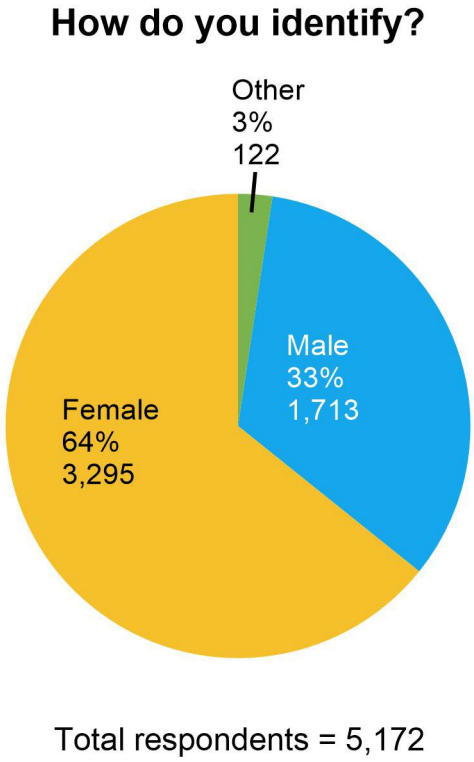
Total respondents = 4,271

Nearly 30 per cent (29.3 per cent) of 5148 survey respondents were older than 55.

Of 5130 respondents asked how they identified, 64 per cent said female.

The PSA Housing Affordability survey was conducted online between Tuesday 24 February 2026.



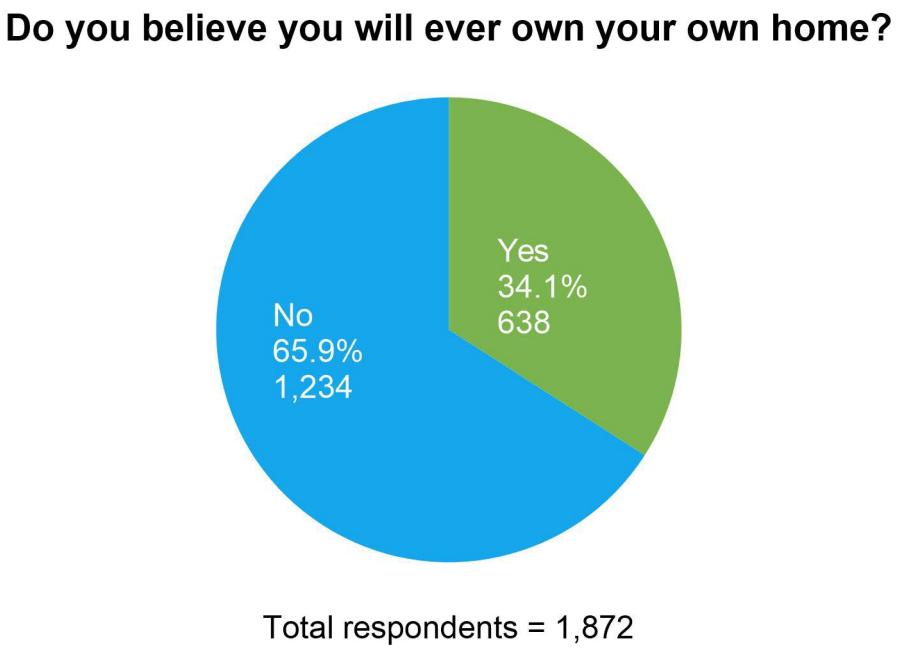


HOME OWNERSHIP IS INCREASINGLY OUT OF REACH

The housing survey found that 37 per cent of 4227 respondents were in private rentals. Of 1872 renters asked if they thought they would ever own their home, **66 per cent said no.**

This compares with national data from the Australian Housing and Urban Research Institute which found only half of current renters expect to own a home in their lifetime[6].

Sixty-six per cent of renters do not believe they would ever own their home.



Asked why they were renting, responses from PSA members included the following:

"Do not earn enough money to save for a deposit while rental prices are so high."

- Female child protection worker aged between 36 and 45 who lives in the Upper Hunter Region and earns between $71,000 and $90,000 and who pays more than 31 per cent of her salary on rent.

"I cannot afford a deposit to purchase a home, and if I did have the deposit, as a single person, the repayments would be out of my league."

- Female Police Force staff member aged between 46 and 55 who lives on the NSW South Coast and earns between $71,000 and $90,000 and pays 41 to 50 per cent of her income on rent.

[6] Australian Housing and Urban Research Institute (November 2024), *Responding to changing housing trends for renters and home owners of the future: Policy Evidence Summary*, based on AHURI *Final Report No. 431: Planning for a two-tenure future*. p3.

"*Because I will never own as a single woman on a single income who lost everything twice due to relationship breakdowns.*"

- TAFE NSW staff member who earns between $71,000 and $90,000 and pays 41 to 50 per cent of her income on rent.

"Because it's hard to save for a house deposit when you're renting $700 a week."

- Male aged between 26 and 35 who works for Transport for NSW and pays up to 30 per cent of his annual salary to house a family of four in regional NSW.

Those who said they did not think they would ever own a house included the following responses:

"No inheritance, HECS debt, huge deposits required for studios."

- Male Corrective Services worker aged between 36 and 45 who lives in Sydney who earns between $110,000 and $130,000.

"Just can't save a deposit big enough to buy something in this area. Prices go up faster than our savings."

- Female child protection worker aged between 36 and 45 who earns between $90,000 and $110,000.

"We pay $900 a week rent - it's impossible to save, we tried several times always told we have too many dependants (4) and we have no parents to help with deposits or to go guarantor."

- Female education support staff aged between 46 and 55 who lives in a regional area and earns between $50,000 and $70,000.

"Sydney properties are way over affordability for PSA workers".

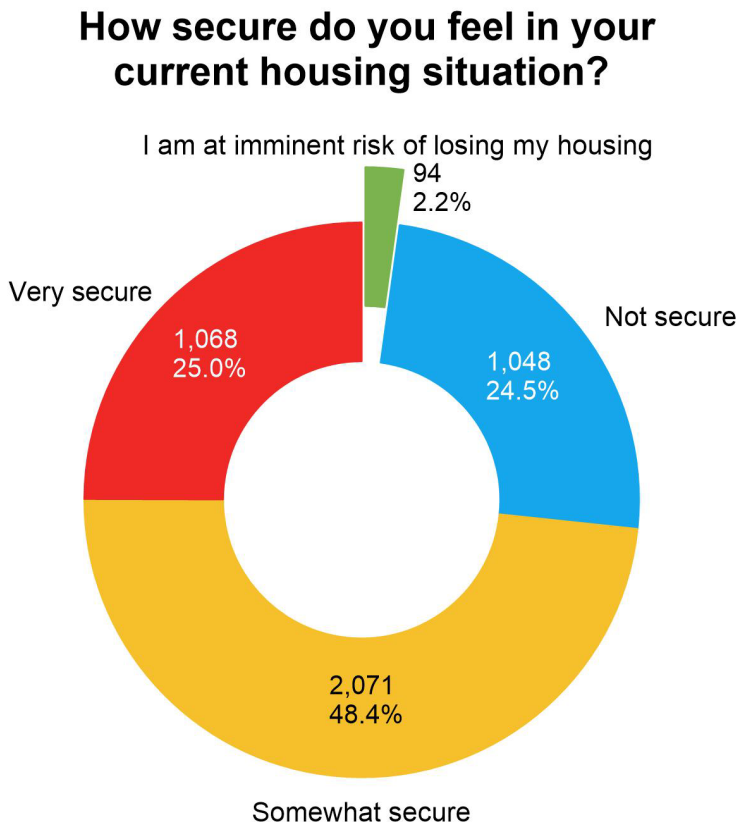
- Female education support staff aged between 46 and 55 who lives in Sydney and spends 60 per cent of her annual salary of $50,000 to $70,000 on rent.

The survey findings are consistent with research from the Australian Housing Conditions Dataset. Its 2022 survey found the three top responses to the question of why people rent were related to housing unaffordability and the inability to purchase property[7].

[7] Australian Housing and Urban Research Institute (November 2024), *Responding to changing housing trends for renters and home owners of the future: Policy Evidence Summary*, based on AHURI Final Report No. *431: Planning for a two-tenure future*, AHURI. p3.

HOUSING INSECURITY

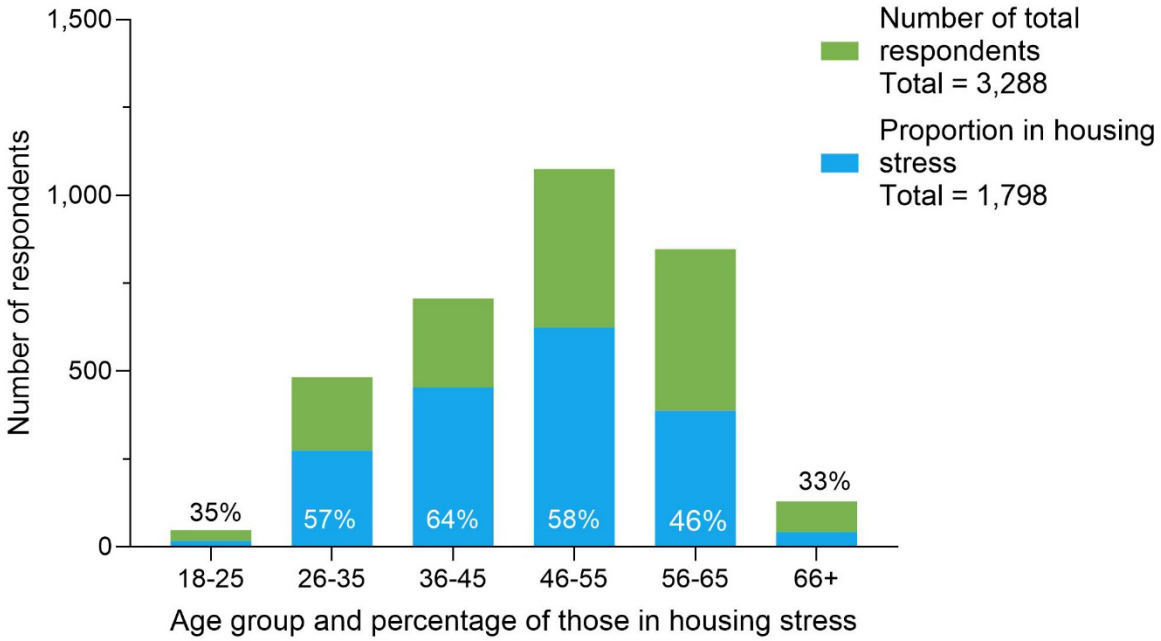
Almost a quarter (24.5 per cent) of 4281 respondents to a question about housing security said they do not feel secure in their housing and 94 (2.2 per cent) said they were at imminent risk of losing their homes.



The survey suggests the housing crisis is particularly affecting single women, including those aged over 55, many of whom face a lifetime as renters in retirement.

Slightly more than half (51 per cent) of women aged over 45 were in housing stress. Of these, 41 per cent were aged over 55.

Proportion of female respondents in housing stress by age



Even those who had enough money saved for a deposit said bank lenders considered them too old to be eligible for a home loan. Most of the women in housing stress were working in public schools, in education support roles and in child protection.[8]

One female child protection worker aged over 56 who lives on her own in regional NSW said she pays 41 per cent to 50 per cent of her annual salary of between $90,000 and $110,000 on rent. She said she did not believe she would ever own a home.

"Age is a determinant. Have now saved a deposit, however, not likely to be able to obtain loan."

Asked what would make her feel more secure about her future, she said: ***"knowing that there would be permanent accommodation options as I age – such as tiny home parks or permanent housing option for older persons in well maintained and secure caravan parks."***

Many women aged over 45 said more secure longer-term rental leases, rental caps and the ability to have pets would help make them feel more secure about their future.

"More secure rental leases, caps on rent rises, more rental properties where pets are allowed."

"At my age and not enough money for deposit, a long-term mortgage seems impossible."

- Female who works for the Department of Climate Change, Energy, the Environment and Water over the age of 46 who lives on her own in Sydney and pays between 41 and 50 per cent of her annual salary of between $110,000 and $130,000 on rent.

[8] See Appendix A

Some women over the age of 55 who were interviewed said they felt at real risk of homelessness in retirement. One single mother who took part in the survey described herself as part of the “working poor” – shut out of the housing market and struggling to pay for higher rents and increasing living costs.

CASE STUDY

PSA member Liz* said that despite having a stable full-time government job for 25 years helping her local community access public services, she was living week to week on earnings of $1580 per fortnight after tax.

After paying $1080 on rent each fortnight for a three-bedroom house in Mt Druitt in Sydney’s west where she lives with her son, she is left with $250 per week for groceries and bills.

“I’m treading water. I’m like a sinking ship,” she said.

“If I get sick, I can’t afford to go to the doctor and I can’t afford to buy medications.

“Everyone thinks I have a cushy government job, but I’m just existing. I’m an example of the working poor.”

The customer service officer said the rent she paid for her house where she has lived for 25 years was low compared to market rates for the area.

Since her relationship with her son’s father broke down when her son was one year old, she has struggled on a single wage to pay thousands of dollars for her son’s occupational and speech therapy.

“I’ve got no savings to my name,” she said.

“I live week to week.

“My holidays are spent with family.”

Liz* said she would like early access to her superannuation balance of about $200,000 to buy a home.

“I am now in the situation at the age of 56 where I will be renting for the rest of my life,” she said.

“The government should be letting middle-aged women access their super. I would have enough to get a deposit on a home, and the repayments would be less than my rent.

“Most loans take 25 years to service so being a 56-year-old, I should be able to pass the loan on to my son who could continue paying off the loan. We need options like that to help families like ours build inter-generational wealth.”

***Liz is a pseudonym**

Research from The Grattan Institute suggests that 67 per cent of retirees who rent in the private market live in poverty[9]. Single, separated or divorced women are particularly at risk as they age and are the fastest growing cohort of homeless Australians according to researchers Brendan Coates and Rebecca Joiner[10].

CASE STUDY

Court worker Szuszy Timar is still working at the age of 69 because she faces homelessness in retirement when she will no longer be able to afford to keep renting.

Szuszy, who has been renting for 20 years, moved to Hunter Region 10 years ago because she could no longer afford to rent in Sydney.



She tried to get a home loan in the area but was unsuccessful. She also struggled to find a place to rent as a single person aged in her 60s.

"Nobody would give me a loan, and nobody would give me a place to rent as a 60-year-old," she said.

Only with the help of a friend, Szuszy was finally able to secure a rental property.

"There is nowhere here that supports housing for people who work in essential services," she said. "It's $695 to $800 for a rental."
When she stops working, she will have to move out of her home again.

"If I had a choice, I would prefer to stay in [the area]. But I won't be able to afford to live here," she said.

With $60,000 invested in superannuation, Szuszy believes her only affordable housing option will be to live in a mobile van.

"I'm going to have a van and move around," she said.

[9] Coates B, Bowes M, and Moloney J, (2025) Renting in retirement: Why Rent Assistance needs to rise. p9
[10] Coates B, and Joiner R, *How to close the gender gap in retirement incomes*. Sydney Morning Herald. March 31, 2021.

CASE STUDY

Mary-Ann McPherson has worked in a stable government job for 30 years but, at the age of 56, struggles with paying more than half her take-home pay on rent.

After paying $1780 per fortnight in rent for her house in the Illawarra, there is little left over for other bills from her fortnightly pay of $3100.



"It's horrendous," she said. "There is nothing genuinely affordable that does not feel like an insult. The cost of renting a three-bedroom home is now outside the reach of a single income family. Rents have escalated at a rate way beyond wage growth.

"I've worked for the government for 30 years. But my salary of $110,000 a year is not enough to support a single mother and two children."

Since having two children she says she has been living in "survival mode" for the past 16 years. She and the children, now aged 16 and 18, have had to move house 15 times.

"I'm now renting in my 50s," she said.

"I can forget about retirement. I am going to have to work until I die.

"I feel like I've missed every boat now. There were no first home buyer grants when I was 18. I did it all myself.

"My income is not enough to service repayments on a three-bedroom home, and I am aged out of a 30-year mortgage from any lender."

Young families who responded to the PSA Housing Affordability Survey were among those who said they are locked out of the housing market and face a lifetime of renting.

Some respondents said they struggle even on salaries of between $90,000 and $110,000. But they earn too much to qualify for any government support or social housing.

One respondent, aged between 26 and 35, who works for the NSW Parliament and lives in Sydney's inner west and pays between 31 and 40 per cent of their annual salary of between $90,000 and $110,000 on rent, said:

"Rent is a non-negotiable expense, so even on what I consider to be a decent salary, I still have to choose between going to medical appointments vs paying bills on time, etc - with no option to save for a mortgage, which is unattainable for me anyway."

"I cannot afford to save for even a 5 per cent mortgage with more than a third of my income spent on rent and when houses cost at least a million dollars."

CASE STUDY

A school learning support officer from the NSW South Coast, who rents a house with a chronic mould problem, despairs that her family has been forced to move from one unaffordable rental to another.

The PSA member and her husband, who works as an arborist and truck driver, both have full-time jobs and each earns about $1100 a week after tax. Almost half of their combined income, $900, pays the weekly rent.

After the roof collapsed in a previous house they rented, the family moved into a camper van. Three of the couple's four children slept on air mattresses on the floor while the eldest child stayed with friends.

Two weeks later, desperate to find a house to rent, the family was forced to take the only property available in their price range.

“We took a home with mould issues so we would not have to spend another night in a camper trailer,” she said.

“You get stuck in this rut where you have to pay for whatever you can get.”

After the family raised concerns about the mould issue, the owners decided to put the house on the market.

The mother said she and her husband were in long-term full-time work but unable to qualify for a home loan.

With no prospect of an inheritance from either side of the family, she laments there is little hope of finding a stable place to live.

“There is no support for families like ours that try to do the right thing and work full time,” she said. “Sometimes it feels like, ‘what’s the point?’”

When mortgage repayments were within greater reach five years ago, the young couple were told that although they qualified for a home loan on paper, the bank could not grant them a mortgage because they had four dependent children. Today, the three eldest children aged 14, 15 and 19 have part-time jobs.

“If we weren’t working, we would probably have more chance of getting some help,” the mother of four said.

Another survey respondent said:

"Our family 'earns too much' for affordable or social housing based off my salary alone. My wife is unsure if she will even have a job at the end of the year returning from maternity leave and is likely to take a significant pay cut. We are not eligible for Centrelink due to my salary. We meet no eligibility criteria for financial assistance or subsidies …."

- SafeWork employee aged between 36 and 45 who lives in metropolitan Sydney and who spends between 41 and 50 per cent of her salary of $110,000 to $130,000 on rent.

"Cost of living in energy bills, council rates, insurances and groceries/fuel are over inflated compared to other countries we have travelled to. Our taxes are over inflated which is making people poor or homeless. It's coming to the point where people have to choose between paying bills and feeding their families. This should not be a way of living in Australia. No one should be homeless nor have to decide whether to pay a bill or feed their family. We work so hard just to get by which isn't fair."

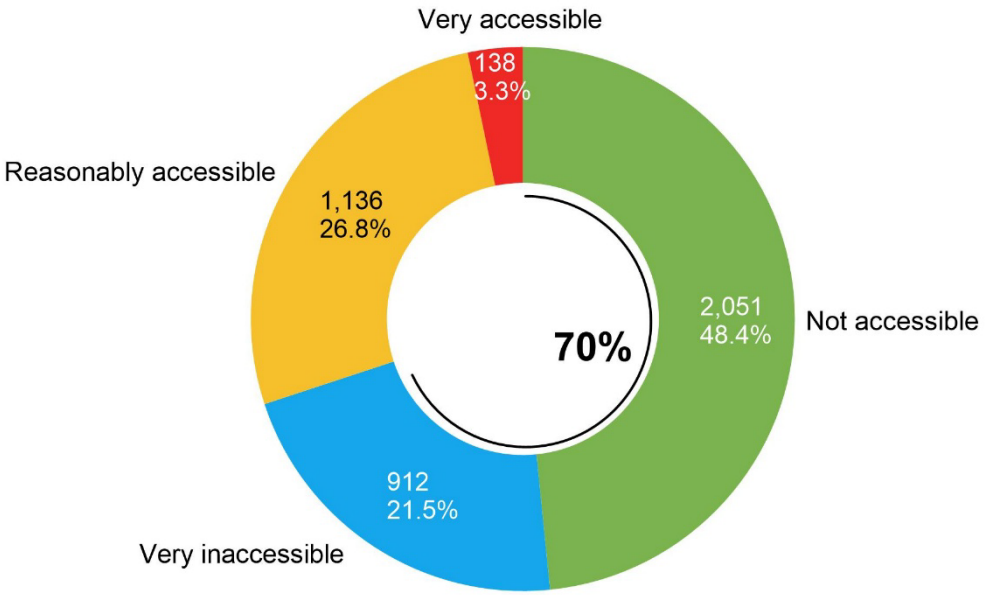
- Homes NSW employee aged 36-45 who earns between $50,000 and $70,000 and pays up to 60 per cent of her salary on the mortgage for a house in regional NSW.



LONG COMMUTES AND MISSED CAREER OPPORTUNITIES

The survey reveals the vast majority – 70 per cent – of 4237 public sector workers who responded to a question about commuting said affordable accommodation near their workplaces was either not accessible (48.4 per cent) or very inaccessible (21.5 per cent).

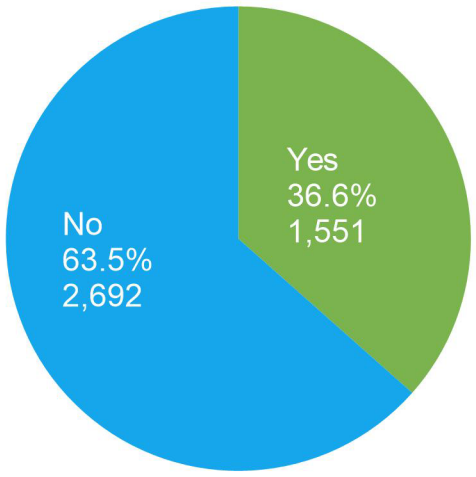
How accessible is affordable housing close to where you work?



Total respondents = 4,237

More than a third (37 per cent) said they live further away from their jobs than they would like.

Has housing affordability meant you have to live further away from work than you would like?



Total respondents = 4,243

CASE STUDY

After her job was relocated from Lismore to Tweed Heads in NSW, the most affordable place Amanda* could find to live was across the border in Queensland.

Three days a week, Amanda*, 60, spends more than an hour in her car commuting to her Tweed Heads office.

“Due to the lack of affordable housing in the Tweed Shire, the nearest affordable housing I was able to get was 50 km away in Queensland,” she said.

“I had no intention of moving this far north.

“Fortunately, I only have to work in the office 50 per cent of the time, otherwise the cost to commute would impact me greatly and there are no public transport options.”

Changes in lending rules meant Amanda* could get a home loan with a 5 per cent deposit last year. “That was a game changer,” she said.

Amanda* bought a villa with a relative last year and each of them pays $1250 per fortnight on the mortgage.

“I was paying $650 a week to rent a place for myself and with every rental increase, I was falling further away from finding something cheaper to buy,” she said.

“Property prices were jumping thousands of dollars every week.

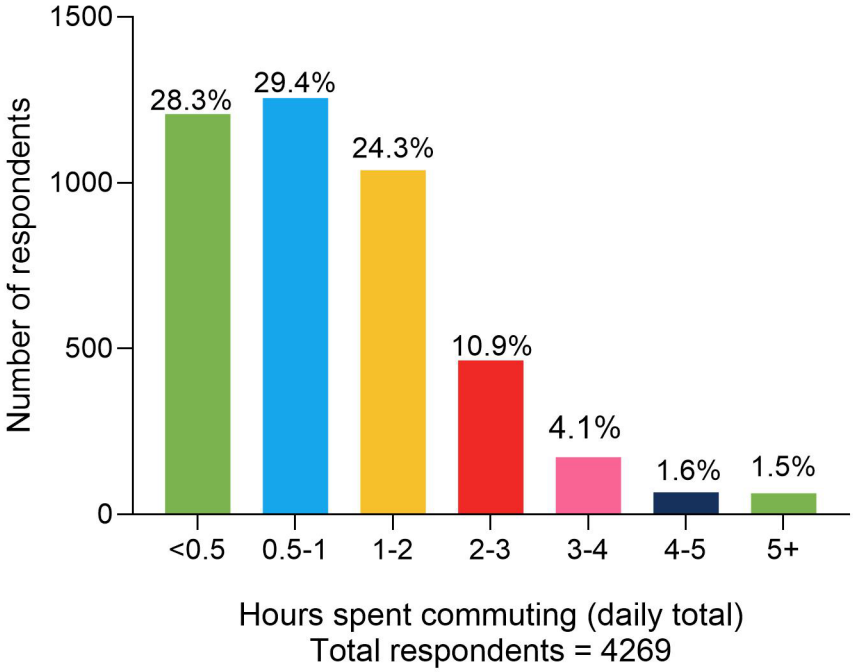
“Government workers should be able to salary sacrifice their rent and mortgage repayments.”

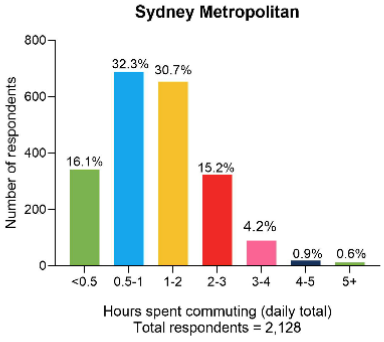
Had her relative not helped her buy their property, Amanda* believes she would have needed to move into share accommodation in retirement.

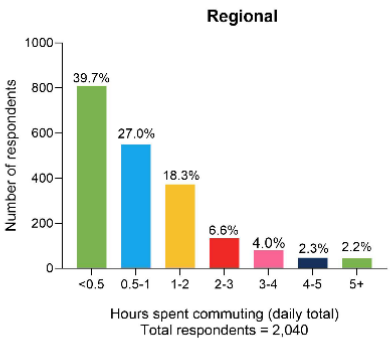
***Amanda is a pseudonym**

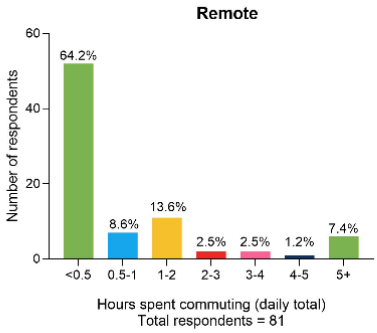
About 18 per cent of 4269 (769 people) spent more than two hours a day commuting to work. Of those, 11 per cent spent two to three hours commuting, 4 per cent spent three to four hours and 3 per cent spent more than four or five hours commuting to work.

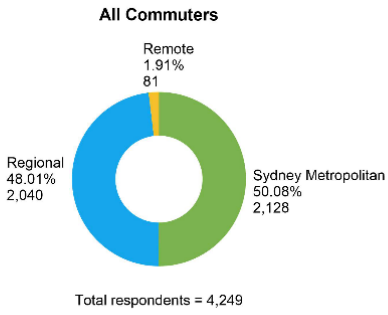
How long is your total daily commute?





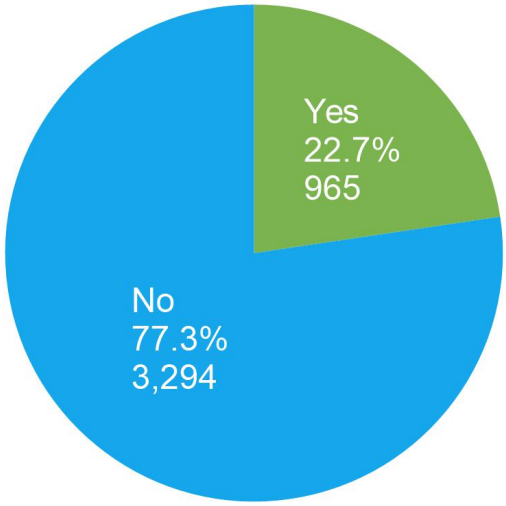






More than 22 per cent (22.7 per cent of 4259 respondents) said they have missed out on career progression and job opportunities because they live too far away from their workplace.

Have you been unable to make further progress in your career because you cannot afford to live elsewhere?



Total respondents = 4,259

The Grattan Institute has linked poor housing options to the exclusion of workers from high-wage centres, weaker labour productivity and lost economic opportunity.

The research suggests that improving housing access near jobs could boost national GDP by up to $25 billion per year in the long term[11].

"*Yes - three hours of my day to travel to and from work. So, time out of family responsibilities including carer obligations, added costs for fuel, sleep... mental health – burnout.*"

- A female aged between 36 and 45 who earns between $90,000 and $110,000 as a temp and pays between 51 and 60 per cent of her salary on rent in a shared house in regional NSW where she works for the Department of Industries and Regional Development, Agriculture and Biosecurity.

"[I'm] unable to move into the metro areas or other office locations where more job opportunities come up."

- A female who works for Service NSW in regional NSW who is aged between 36 and 45. She earns between $71,000 and $90,000 and pays between 41 and 50 per cent of her income on a private rental.

[11] Coates, B., Moloney, J. and Bowes, M. (November 2025), *More homes, better cities: Letting more people live where they want*, Grattan Institute. p43.

"*Limited employment options - if you can't afford to live where the job is then what is the point of applying. Essential workers should not have to compete for housing, nor should it be priced that the lowest paid in the sector can't afford it.*"

"Turned down jobs due to price of housing in some areas.

"Teacher housing should be implemented in every town. We cannot live in the town we work due to lack of properties available to rent. [It] should be expanded to include school support workers SSLO, SSO etc. On their salary, they have no hope of being able to afford to rent or buy without a partner's income."

- Female aged between 46 and 55 who works in a school in regional NSW. She spends between 31 and 40 per cent of her annual salary of between $50,000 and $70,000 on mortgage repayments.

CASE STUDY



Erin Richardson and her partner moved in with her parents in Newcastle and delayed getting married and starting a family because they were priced out of the Sydney housing market.

They feared they had also been squeezed out of the Newcastle market, but were fortunate enough to buy a house in Lake Macquarie, which needs a lot of work before they can move in.

"We had a deposit, but prices here have gone up $50,000 to $100,000," she said. "We are delaying starting a family because of our housing situation. We'd love to get married but we can't afford it. We need to prioritise a house above all else."

Erin, who is aged 32, said she and her partner have been living with her parents in Newcastle for two years to save for a home deposit.

She works from home and commutes to her government job in Sydney one day a week in Mascot.

"Door-to-door, it takes me seven-and-a-half hours to Mascot and back," she said.

"I leave Newcastle at 5.15am and get back at about 8.45pm.

"I wish there was flexibility to use a regional office and do, say, one day a month in the city."

Erin says she had missed out on roles because of her Newcastle address.

"It's not feasible for us to buy in Sydney," she said. "That's a pipe dream."

THE TRADE-OFFS: SKIPPED MEALS AND MISSED MEDICAL APPOINTMENTS

The toll that housing costs and long commutes to work take on respondents is severe.

One young mother aged under 26, with two young children, spends up to 60 per cent of her annual income of between $90,000 and $110,000 as a child protection worker in regional NSW on mortgage payments for a house. She said it has ***"been challenging to afford groceries, fuel and items for my two children under three, even with the weather becoming colder and not able to afford warm clothes for them".***

Other survey responses include the following:

"[I] have to reduce medical [appointments] due to cost and increase on rent. Eating less as need to spread money out on bills, rent, other expenses."

- Female aged between 18 and 25 who spends between 31 and 40 per cent of her annual salary of between $50,000 and $70,000 on rent in the Sydney metropolitan area.

"Sometimes it's either eat or have a roof over my head."

- A female aged between 46 and 55 who works in a school in regional NSW. She spends between 31 and 40 per cent of her annual salary of between $50,000 and $70,000 on mortgage repayments.

"I go without dinner so my kids can eat."

- A mother of two children who lives in Wollongong and works for Corrective Services and pays between 51 and 60 per cent of her annual salary of between $90,000 and $110,000 on a mortgage.

"One of my duties at work is to help people apply for EAPA (Energy Accounts Payment Assistance) Vouchers. I've had to apply for EAPA vouchers myself."

- A male Service NSW employee aged between 36 and 45 who spends 31 and 40 per cent of his annual salary of between $71,000 and $90,000 on housing which he describes as "unaffordable".

"Unless it's an absolute emergency, I'm not seeking medical help. Absolutely no dental or optical appointments either."

- A female divorced parent aged between 46 and 55 with one child who works in education support and pays 51-60 per cent of her annual salary of between $50,000 and $70,000 on rent.

"Skipped meals, medical only in severe emergencies."

- A male aged 26-35 who works for TAFE NSW and earns between $71,000 and $90,000. He pays between 41 and 50 per cent of his income on rent in shared accommodation in Sydney.

INTERGENERATIONAL INEQUALITY

Parents who have secured a family home are concerned about the inability of their adult children to move out of home and find an affordable place to live. One PSA member says she has delayed her retirement plans to give her children a better chance of breaking into the housing market.

Many other survey respondents raised similar concerns about their children being unable to buy a home in the same way that their parents and grandparents had done.

CASE STUDY

Newcastle schools learning support officer Joanne Lovett has delayed her retirement plans to help two daughters get into the housing market.

"My plan was to retire in two years at 55, but that won't be happening now," she said. "I'd rather the kids enjoy the money now when they need it. I've always said you get your money at the wrong time in your life.

"I thought it was a far better decision to give it to them now when they can use it and need it rather than watching them scrimp and save while paying someone else's mortgage."

Joanne and her husband gifted each of the two daughters $50,000 each to help them buy a property in the closest affordable suburb.

One daughter, aged 25, bought a one-bedroom apartment in the Newcastle area and the other daughter, aged 24, bought an old three-bedroom house with her partner in a nearby suburb.

"We decided to help both girls out to help them get into the local market," Joanne said. "They couldn't save the deposit as quick as house prices were going up. Housing prices were outpacing what they could afford.

"Everything else they could afford by themselves was 30 to 40 minutes away from us. This way both of them are just 10 minutes away."

Joanne, whose third daughter has autism and needs care at home, said she did not have the flexibility to travel far from home to help her other daughters.

"Looking forward they will likely get married and have children and will rely on mum and dad when they need babysitting when they go back to work to pay off the mortgage," she said.

"If they moved further away, they would have been spending more on fuel to get to work and to drop off children. So, we did it for the good of everybody. They will also get a better resale in a better suburb.

"It would have been too hard otherwise."

CASE STUDY

School business manager Sally* looks forward to working four more years until the age of 70 to pay off her mortgage.

She and her husband are paying off a four-bedroom house in Sydney where two of her three adult children also live.

“None of them can afford a deposit,” she said.

“My grandson comes to stay every second weekend.”

Sally’s* third son and his wife are paying $800 per week on rent and $400 a week on day care costs.

“They can barely make ends meet,” she said.

Sally* said a teacher at her school travels from Wentworth Falls to Sydney.

It takes her a minimum of two to three hours to get home each day. The teacher cannot afford to live closer to her job.

“She leaves home at 5.30 or 6am to get to work about an hour and a half later,” she said.

***Sally is a pseudonym**

“My children will be unable to afford a house without significant assistance from me. This bothers me. My son currently lives in a caravan through the week near his work due to unaffordable and unavailable housing. Another friend lives in a tent near their full-time work due to [the] same issue.”

- Female aged between 46 and 55 who earns between $110,000 and $130,000 working for a public school in regional NSW.

“The dream of owning your own home is over without an inheritance to get you started.”

- Female education support worker aged between 56 and 65, who lives in regional NSW and pays 41 to 50 per cent of her annual salary of between $50,000 and $70,000 on rent.

“Extremely expensive to live in Sydney; rental market competition is very high. My adult children can't afford to move out because of the rental market going out of control.”

- Female Rural Fire Service staff member aged between 36 and 45 who lives in Sydney and pays 41 to 50 per cent of her salary of between $110,000 and $130,000 on rent.

"*I am fortunate not to face any housing difficulties, but I have had to live in housing that was smaller than I needed for the size of my family. My adult children still live at home, and I fear they will never be able to afford independent accommodation. This is not a sustainable option.*"

- Retired university staff member aged between 56 and 65 who lives in Sydney.

"I am fortunate that I now own my own home which means that my housing costs are minimal, however we are a family of five adults that live in the one home. My adult children do not have money to be able to leave home and find their own affordable housing. I had another child leave NSW altogether in search for an affordable house. The housing crisis for my children's generation is real. And our multigenerational living arrangement is becoming more common."

- *Female education support staff aged between 46 and 55 who earns between $90,000 and $110,000 and owns a home outright in Sydney.*

"I had to move back in with my parents as I cannot afford private rent on my own.

"My parents are selling their home in two months, and I will have nowhere to live with myself and two young children. I will be homeless unless Housing or Aboriginal Housing finally help me and give me a home. Eight years on the waiting list is a joke."

- Single mother of two children who works at a Sydney public school as a temp and earns between $50,000 and $70,000 per year. She pays more than 40 per cent of her salary on rent.

"I am only able to have the house I live in now as I entered the property market in 2006. I would not be able to purchase a house at today's rates, and my daughters will also not be able to buy a home."

- Female school staff aged between 36 and 45 who has a house in the Penrith area.

"I'll never be able to afford to buy my own home. Too expensive and my age has been locked out of the market."

- A male aged 26 to 35 who works for TAFE NSW and spends 41 to 50 per cent of his annual salary of between $71,000 and $90,000 on rent in shared accommodation.

CASE STUDY

Tiffany Bett, 37, shares a house with her mother because neither could afford to keep renting on their own.

Tiffany, who works on staff at a university in regional NSW said she and her mother pooled their resources to buy a house in early 2021 after they were ejected from their rental accommodation during the COVID pandemic. Her mother, a 67-year-old former teacher, provided the deposit and Tiffany covers the mortgage payments.



"We looked at renting, but we couldn't get anything; the little houses that were available were top dollar for run-down shacks," she said.

"We then looked at purchasing and were lucky enough to purchase at that time by pooling our resources.

"So, we do have secure housing, but we are tied to each other to keep secure housing. That is fairly limiting in the sense that if I want to move to another area or go career chasing, I really need to think carefully about whether it is viable and whether mum is on board for coming along."

Tiffany, who earns about $92,000 a year or about $2200 per fortnight after tax, pays $1200 per fortnight on her mortgage repayments.

"I am on a decent wage, and I don't seem to be getting ahead in life. There's not a lot left over for savings after medical, car expenses, groceries and bills," she said.

"We are on a hamster wheel and can't save.

"If the mortgage keeps going up, I will have to reassess and look at other options because it is pretty tight to be paying half my wage on my repayments. Mum doesn't have any more resources to contribute – everything went into the deposit, and she lives week to week on the aged pension," she said.

"There isn't much room in my budget; I very rarely eat out or get takeaway. It's almost week to week at the moment."

CASE STUDY

After buying a house in Singleton 12 years ago, Kelly* had hoped to eventually live closer to work or in Sydney but has been priced out of the market.

She was living in Sydney before she bought her house in Singleton in 2014. She initially lived in the house for 18 months but moved out and rented in Newcastle for about five years until her landlord sold the house she was renting, leaving her homeless for about six months in 2021 during COVID.

With some help from her mother, she took out a loan to buy a camper van where she lived until her tenanted house in Singleton became vacant.

"Nobody in my family had space, so I couldn't move in with anybody," she said.

"I couldn't find a rental, so it was bad timing.

"I'd been trying to purchase an apartment in Newcastle at the end of 2020 and that's when I got priced out because all the Sydneysiders were moving up to Newcastle.

"I was going to use the equity from the house to make a purchase but instead I ended up moving back into the house."

The house is currently valued at about $800,000 which no longer buys much in Sydney where Kelly*, age 40, had hoped to live to take advantage of more social opportunities.

"To try to live in a metro area these days it's really expensive. I would have to be in a share house at 40," she said. "I was in share housing when I was living in Newcastle for 17 years. I'd prefer to have my own space.

"I'll probably make a 15 to 20 per cent deposit from the house that I've got, but I'm not going to be able to show that I have capacity to pay."

Kelly*, who works as a planner, said demographic studies suggest that single people typically find it more appealing to live in urban centres to take advantage of social life.

"There are very limited options for single people in the regions," she said.

"My office base is five hours' drive away which is not a practical daily commute. The next closest office base is in Newcastle which is an hour away on the train."

Despite earning more than $135,000, she spends about 35 per cent of her salary on repaying her mortgage.

"I'm just trying to squirrel away at the moment to create a buffer," she said.

***Kelly is a pseudonym**

CASE STUDY

James* is preparing to move house for the fourth time in two years because of repeated hikes to his inner-city rent.

“Every year the landlord would jack the rents up, so we had to look for something else. The last few places were sold so we got eviction notices,” he said.

“You don’t feel like you can build a life anywhere because at the end of the year everything goes up or you are getting kicked out.

“It’s unsustainable.”

James*, 37, who works on staff at a Sydney court said home ownership feels out of reach. He pays $450 per week in a Surry Hills flat he shares with his sister and her partner who pay the remaining $900 per week in rent.

He earns $1995 after tax each fortnight, which means 45 per cent of his wages are spent on rent. This leaves him with about $500 a week for other expenses.

He has delayed following up on health concerns because of the cost.

“I spend $50 a week for public transport and groceries keep going up,” he said.

“It’s getting ridiculous.”

He is now planning to move house to share a flat with his partner in Sydney’s Inner West where they will pay $790 between them.

His partner bought a property in another state so she would not have to keep renting in retirement and because it was the only place she could afford on a single income.

James* had to dip into his savings while spending more than 10 years, including during COVID, caring for his parents who both had Alzheimer’s.

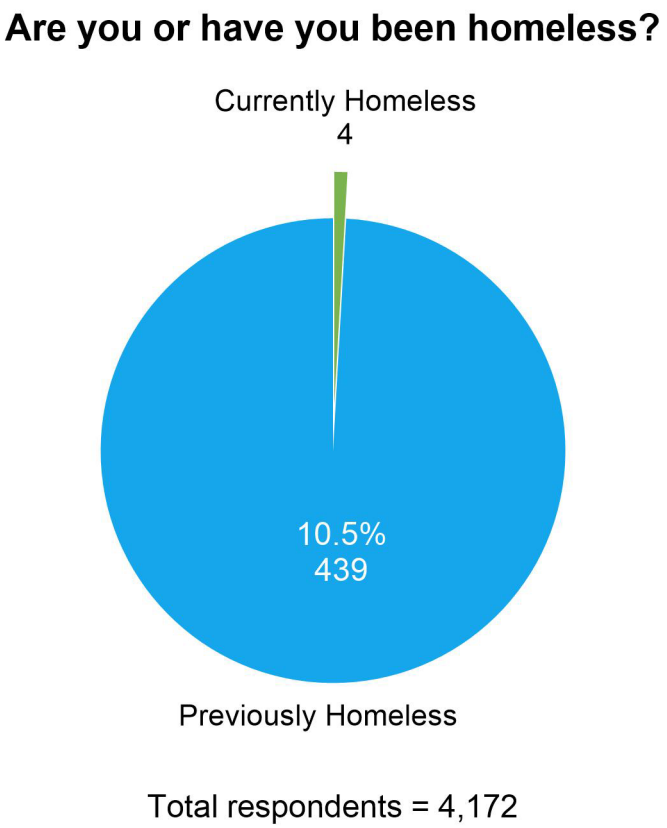
He hopes housing will stop being viewed as an investment, instead of a home to give more public sector workers a better chance of entering the Sydney market.

***James is a pseudonym**

HOMELESSNESS

The survey found that 439 PSA members, 10.5 per cent of 4172 respondents, said they have been homeless.

Despite being in employment, four respondents said they were currently homeless. Two said they were couch-surfing and two were living in a caravan.



One of the four, a female aged between 36 and 45, said she is couch surfing and that she has been unable to buy medication. She said she has "put off medical tests because of lack of money". She earns between $50,000 and $70,000 as a temp working for the Department of Education in regional NSW and describes housing in the New England area as unaffordable.

She suggested that high schools should provide students with more education about personal finance: "how money works, where it comes from and how to save it or how to use it". "More education earlier on will help reduce the poverty line and empower people to make informed decisions with their money," she said.

Asked what kind of support could have assisted, she said subsidised interest rates and home loans. Asked what would make her feel more secure about her future, she said "more affordable home loans and options for loans, to just buy land, that are affordable."

"A free service to help me apply for loans that are affordable. Help to navigate that side of things as I can't," she said.

A second of the four people who said they are homeless is a female aged 46 to 55 who lives in a caravan with a family because she and her family of five cannot afford to rent or buy a place to live on the far South Coast. She has an ongoing role on staff at a NSW public school on her single salary of between $50,000 and $70,000, which is not enough to qualify for a home loan.

“Housing is too expensive here now,” she said. “We just cannot afford to even think about owning or renting here.”

The PSA member said that subsidised interest rates and home loans and more affordable accommodation options closer to work would help.

“I don't make enough for the banks to give us a loan,” she said.

Asked what would make her feel more secure about her future, she said: “The government making it easier for people to live and not feel like they are being penalised for working full time.”

She also suggested that reduced property investment incentives and access to superannuation may help.

A third survey respondent who is homeless, a woman aged between 56 and 65, is currently house sitting in metropolitan Sydney and “moving from place to place” after a divorce. She said she was at imminent risk of losing her housing.

The woman who earns between $130,000 and $150,000 working for Transport for NSW, said she had been house and pet sitting for the past year and a half. She was previously renting for more than six years. “Renting following divorce in which I was left with very little after 20 years. Prior to renting I was a homeowner with ex. He got the house,” she said.

Asked if she thought she would ever own a home, she said it was unlikely she could get a mortgage at her age, “with little deposit”.

She was in favour of more public housing, greater security in rental leases, subsidised interest rates and home loans, more affordable accommodation options closer to workplaces and reduced tax incentives for property investors.

Another of the four who said they are currently homeless is Adrian* who slept in his car for five weeks until recently when he bought a caravan. Adrian* said he would like to see more affordable housing options closer to workplaces, government-led housing initiatives for essential workers, fairer pay, subsidised interest rates and loans. His daily commute to and from work is two to three hours.

CASE STUDY

Adrian* says he has new respect for the homeless after finding himself living in his ute and sleeping upright for five weeks until he could buy a caravan.

Adrian*, aged in his late 50s, worked for himself for most of his life and volunteered with the Rural Fire Service for many years before he joined the RFS as a paid staff member, helping maintain fire trails and making safety improvements.

Since his marriage broke down, he has been paying half the mortgage on his former home in regional NSW.

He moved to another regional town in December after starting a new relationship and has struggled to meet his financial commitments on an annual salary of under $75,000.

He was skipping meals and camping near sporting fields to access public showers. When he did eat, he bought cold cuts from the local supermarket.

"Paying half the mortgage and insurances, I couldn't afford to rent up here," he said.

"I was living in the front of my ute for five weeks until I bought a caravan. I've got a lot more respect for the homeless now."

Having been self-employed for many years, Adrian* has little saved in superannuation. "Retirement for me is looking very dim," he said.

"It would be nice if there was a scheme where we could rent to buy.

"If the government-built houses and people could rent those houses from the government, that rent could go towards the principal."

***Adrian is a pseudonym**

According to national research into links between housing and domestic violence, Australia's specialist homelessness services are underfunded and are unable to meet a high rate of requests, with an average of nearly 295 unassisted requests per day; a total of around 108,000 unassisted requests for 2022–23[12].

[12] Li.A, Martino.E, Pike.B, Moulton.J, NHMRC. *The Inextricable Links Between Housing Insecurity, domestic violence and poor health and wellbeing*. INSPIRE Magazine 2024 – Issue 34 p58-59.

HOMES NSW STAFF AT RISK OF HOMELESSNESS

The PSA survey demonstrated that some Homes NSW staff are at the same risk of homelessness that many of their clients face.

CASE STUDY

Homes NSW officer Bernadette McMahon fears she is only an interest rate rise or two away from becoming homeless.



But unlike the members of the public she serves, the 59-year-old's annual income of $110,000 excludes her from any public housing entitlement.

She says it is ironic that she could face the same risk of homelessness as the people who come to her for help at Homes NSW. Bernadette also has four relatives living with her who would otherwise be at risk of homelessness.

"We are a couple of months away from being homeless like our clients," she said. "There's no guarantee that I won't find myself homeless if interest rates keep going up.

"I'm worried that I'm going to turn 60 and need to find a private rental.

"I've been working in a government job for 16 years and I'm still struggling. I can't imagine how people on lower incomes are coping."

Another Homes NSW respondent, who said she had previously been homeless, fears for her future:

"***I work for Homes NSW, I help my local community when they are homeless or at risk of homelessness and I'm scared I am only two missed mortgage payments away from facing my own homelessness, I can't count on my super, as I was not able to work earlier on, as I was raising my four kids on my own and now I will never build up enough super to cover my mortgage when I retire at 67, I'm scared of being homeless once I retire and then having to live in my car because I have nowhere else to live. I would probably need to consider ending my life so I don't end up a burden on my kids or end up being a street sleeper, being dead sadly may be my future retirement plans and that's a terrible option to have to consider."***

The same respondent was stressed at not being able to help clients due to a shortage of housing services:

"No vacancies in women shelters, women's refuge shelters not allowing men with kids and also [many] children over 12 years are also not welcome, no suitable permanent alternative solutions for our DV clients and referring them for support is also hard as there are waiting lists or they've closed their books and not taking on any new referrals".

PSYCHOSOCIAL HAZARDS FOR HOMES NSW WORKFORCE

The shortage of housing services has created a serious psychosocial risk for staff who feel distressed when unable to help often desperate clients with urgent housing needs. The survey findings demonstrate that their traumatic experiences are affecting the morale, mental health and wellbeing of public sector workers who serve homeless members of the community.

One Homes NSW staff member, who said she feels at risk of homelessness herself, said the **"*psychosocial status of the workforce is very low". "Sometimes we feel like we are pushing them (clients) over the edge and there is no mattress to save them. I love helping people, but I'm stuck. We are supposed to be a public service to help people step up, but instead, we are getting them (clients) to step off a cliff.*"**

Of 744 responses to the PSA housing survey question asking if they find it difficult to help clients access housing, 413 (55.5 per cent) said it was always difficult, 173 (23.2 per cent) said it was often difficult, 106 (14.2 per cent) said it was sometimes difficult. Only 7 per cent (52 people) said it was not difficult helping clients access housing.

Asked if they felt distressed when unable to help clients find suitable housing, of the 734 who answered, 216 (29 per cent) said they often felt distressed and 256 (35 per cent) said it was very often. Another 207 (28 per cent) said they sometimes felt distressed and 55 (7.5 per cent) said they did not feel distressed when unable to help clients find suitable housing.

A female child protection worker who spends 31 to 40 per cent of her annual salary of $90,000 to $110,000 on rent in the Coffs Harbour area said she "always" finds it difficult to help clients find housing in the area and she finds this distressing. She said: ***"There is no housing. Even emergency lists are 10+ years wait."***

A female Homes NSW worker aged between 46 and 55 who lives in regional NSW said she was paying more than 61 per cent of her annual salary of between $90,000 and $110,000 on mortgage payments. She said she has previously been homeless and could not access any government support or affordable housing.

"I work in government and could not get assistance when I had no money or savings. There was no support for the working class," she said.

She said she found it distressing when she was unable to find housing for Homes NSW clients.

***"The system is broken. There is not enough housing, the system is set up to fail the most vulnerable, with convoluted systems that do not work, such as the application process,"* she said.**

"These clients have nowhere else to go. They have children disabled family members and forced to bunker-down under a tree or bridge in winter and fend off other homeless persons with substance abuse issues. It is truly abominable."

In response to a survey question about what was making their job of helping clients access housing distressing, responses included the following:

"Lack of resources and when I run out of options to help genuine families in need I wonder if I become homeless next, that there is no real support or homes to help us. I give encouragement to my clients but deep down I know that there isn't an option for them to sustain a home that's affordable for years to come on the social housing list".

- Female aged 36 to 45 who lives in the Illawarra and who pays between 51 to 60 per cent of her annual salary of between $50,000 and $70,000 on a mortgage for a family home.

"I work with youth in a rural area. There are no youth refuges close by. Teenagers are given a swag to sleep in a park, or they couch surf".

- Female Homes NSW worker aged 46 to 55 who earns between $90,000 and $110,000. She pays 21 to 30 per cent of her salary on a mortgage for a house that she and her husband rent out. They rent a one-bedroom apartment closer to work because they cannot afford to buy in a location closer to their jobs.

"There is NO available housing. None."

- Female Corrective Services worker aged between 36 and 45 who lives in the Illawarra with a mortgage and earns between $110,000 and $130,000.

"Availability. There is not the stock there used to be.

- Male Corrective Services worker aged between 56 and 65 who earns between $110,000 and $130,000 and owns his home outright in the Riverina region

"They need to apply and remain on the waiting list for YEEAAARRRRSS!"

- Female Corrective Services worker aged between 46 and 55 who pays 61 per cent of her annual salary of between $90,000 and $110,000 on mortgage payments for a small two-bedroom flat she shares with her partner and child in Metropolitan Sydney.

"There is no affordable housing. We have clients who escaped floods still living in pods supplied by council and will be expected to move but no alternatives are available. Women experiencing domestic violence have no alternative options for housing. Couples wanting to separate cannot access housing which can also lead to domestic violence. People with disabilities are left financially dependent on their partners, or carers or parents as if they are in a relationship their income would be removed so they don't have the right to be financially independent and to declare that they are in a relationship will result in loss of income. They then are left in situation they can't marry as due to cost of living they would not be able to have affordable accommodation due to financial costs."

- Female child protection worker aged between 46 and 55 who lives in the Northern Rivers.

The Department of Communities and Justice guide to waiting times for social housing show that waiting times for all available public and community housing are 10 years[13] or more across Sydney, the Central Coast and North Coast including in Fairfield, Liverpool, St George, Sutherland, Parramatta, Wyong and Coffs Harbour. Suburbs including Mt Druitt and Penrith have published waiting times of five to 10 years for one-to-three-bedroom dwellings and a wait of 10 or more years for one with four bedrooms. Waits of up to 10 years or more are typical across the state.

The PSA survey findings highlight a growing psychosocial risk for Homes NSW staff and are supported by Australian Housing and Urban Research Institute (AHURI) analysis released in February 2026.[14] It shows 40 per cent of frontline staff reported symptoms of post-traumatic stress and 90 per cent reported moderate to high levels of vicarious trauma, while 61 per cent reported symptoms of burnout. The AHURI research found that people working in the housing and homelessness sector are exposed to significant trauma as service providers of last resort for people with complex needs.

[13] The Department of Communities and Justice Guide to waiting times for social housing at 30 June 2025 (accessed 29 April 2026).

[14] Australian Housing and Urban Research Institute (AHURI). *Trauma on the frontline: protecting housing and homelessness workers.* February 2026. p2.



HOMELESSNESS IN THE COMMUNITY

TENT CITIES

News that a woman gave birth to twins in a tent[15], including one who did not survive, exposed what a seven-year public housing wait list looks like for people experiencing homelessness.

The 37-year-old Indigenous woman had reportedly been living with her partner at a makeshift camp along the Murrumbidgee River in Wagga Wagga for about five months. The wait time for public housing in the city is up to seven years.

The incident highlighted the need for more resources to support Homes NSW staff to provide homelessness services, particularly when they are working in the field.

Homes NSW specialist caseworkers and health workers patrol makeshift camp sites, including in Wagga Wagga, to connect with people experiencing homelessness and help them find stable, long-term housing.

These patrols are part of what is known as the Assertive Outreach service.

The Wagga Wagga incident has led to calls for greater support for overworked case workers who often enter unsafe situations where drugs and alcohol may be involved. The Assertive Outreach staff need support to work in pairs to protect their safety so they can serve people who most need their support.

[15] Amber Shultz. *A mother had been living in a tent for months. Then she went into labour.* Sydney Morning Herald. May 6, 2026.

The urgent need for more housing supply is clear, as is the need to provide more support services for people who are homeless while they face long waits for accommodation.

Housing after the floods

Homes NSW staff report there are still hundreds of people living in temporary accommodation in Lismore and Tweed Heads at a cost to the taxpayer of about $200 a night.

Temporary accommodation is usually provided for 28 nights but the impact of the recent floods in Lismore has meant that there are people who have been in emergency accommodation for up to 700 days.

One Homes NSW staff member said some people end up homeless and living on the streets when housing cannot be found for them. Others were deliberately getting themselves into trouble just to get a roof over their head in jail.

“One family had to be transported to hospital because they were dehydrated with heat exhaustion waiting in their car in 40-degree heat for six hours,” the staff member said.

“Our staff are often forced to tell people there’s nothing we can do.

“The psychosocial status of the workforce is very low”.

TENANTS WHO FACE DISCRIMINATION

A Homes NSW worker who took part in the PSA survey said more public housing was needed to help clients who experience discrimination and exclusion from community housing providers who were “cherry picking the most suitable tenants”, based on their incomes and need for support, to avoid financial risk.

One PSA housing survey respondent who works in Sydney said more public housing was needed to help clients who could not access accommodation through a community housing provider (CHP):

“***Not enough public housing options in the area as the government relies on social housing developments where CHPs have their own eligibility criteria and can refuse certain types of clients. We have clients that have been on priority transfer lists for ten years.”***

A PSA housing survey respondent who works for the Public Trustee and Guardian said: ***“Lack of social housing stock, lack of private rental stock, discrimination, poor rental history or highly competitive applications.”***

A respondent who works for Homes NSW said it was difficult finding social housing for people on Centrelink benefits. ***“Nothing within their affordability, on Centrelink payments & won’t be accepted for properties.”***

A male Homes NSW employee aged over 55 who lives in regional NSW said: ***“Not enough houses and poor support services from government funded private services.”***

A respondent who works for Corrective Services NSW said: ***“No one wants ex criminals”.***

Another Corrective Services NSW respondent said*:* ***“Clients are leaving custody and many people don’t want 'those kind of people' renting here.”***

A female aged over 45 who works for Corrective Services in Sydney said: ***“I work with clients who have been released from gaol, are predominantly unemployed, and have limited finances. Most are on job seeker and can barely feed themselves or buy clothes. Most of***

my clients lack the capacity and skills to navigate [Homes] NSW to access temporary housing or be placed on the waiting list for social housing. Most give up and couch surf as they can't meet their requirements to extend their temporary accommodation. Looking at 6 rental properties and applying for properties (when your affordability is $250 a week) makes my clients feel worthless, desperate and displaced in the community. Some turn towards re-offending to just survive."

"Clients are blacklisted due to owing money on other matters. Clients have used all of their allotted nights for the year but have no other options available. No rooms / houses available within 150km radius - no money to travel to the next town to access the only room available. Those with Mental Health limitations or other physical impairment cannot be appropriately housed."

- Female aged between 46 and 55 who works for Corrective Services and lives in regional NSW where she pays more than 61 per cent of her income of between $110,000 and $130,000 on mortgage payments.

DOMESTIC VIOLENCE

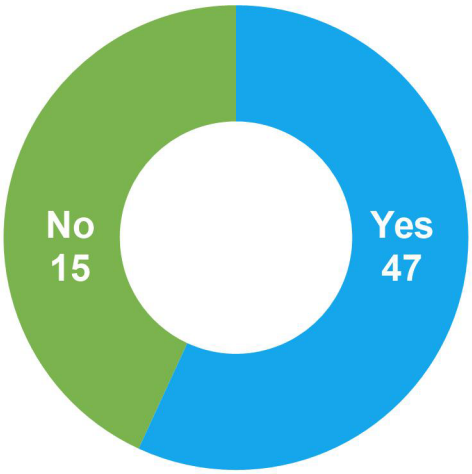
Of 3581 respondents to a question which asked if they were in shared accommodation with an abusive partner, 62 said yes. The remainder said no.

Of 71 PSA members who responded to the question which asked if they were staying in shared accommodation with an abusive partner because they could not afford to leave, 47 said yes.

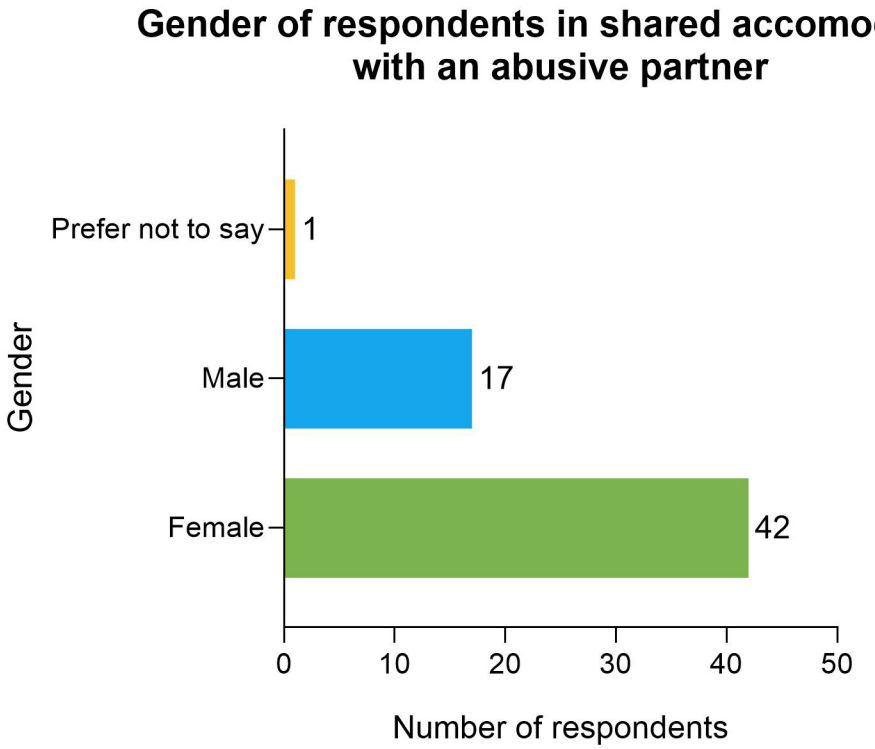
Are you staying in shared accomodation with an abusive partner?

62 said yes

Are you staying because you cannot afford to leave?



Total = 62



Asked what support they needed to leave their abusive partner, responses included the following:

"Housing and set up of needed items and food help with low retail rent."

- Female aged between 46 and 55 who lives in Sydney and works in education support in a temp role on a salary of under $50,000. She pays more than 61 per cent of her income on rent. She said she had no security or support, and her wage was eclipsed by rent increases and utility bills. Her daughter is sleeping on the floor because she cannot afford to buy her a new bed after the old one broke.

"Need affordable property in same area I currently live in - rental bond & weekly rent assistance."

- Female aged 56 to 65 who lives in Sydney and works for Service NSW on an annual income of between $50,000 and $70,000. She spends 41 and 50 per cent of income on rent and says she "can't afford to buy – ever". She also spends two to three hours each day commuting to and from work.

"Affordable housing in the location we are living so my children do not have sacrifice the school they go to and their friendships."

- Female aged 36-45 who works as education support staff who pays 51 to 60 per cent of her annual salary of $71,000 and $90,000 on rent. Her daily commute is 3 to 4 hours.

"If I were to leave this 'relationship', I would face double the cost of rent and bills, which would likely take more than 60 per cent of my salary and leave me in a very difficult situation. Because of this, I would need financial support with rent and bills."

- Female aged 46-55 who lives in Sydney and works in the NSW Sheriff's Office.

"A safe haven to get to without totally uprooting everything in my life."

- Female aged between 56 and 65 who lives in Sydney and works for Transport for NSW.

"Affordable housing which doesn't require me to relocate."

"I'm stuck in a DFV relationship as I can't afford financially to leave."

- A female education support staff worker aged 36 to 45 who lives in Sydney.

"It is safer and easier for me to stay. I can't afford to be the one to leave, even though I am the higher wage earner I still cannot afford to leave."

- Female aged between 36 and 45 who lives in a Central West region. She earns between $110,000 and $130,000 and pays 31 to 40 per cent of her salary on mortgage payments.

"We're about to go to therapy together. But there [have] been many times that I have thought of leaving and haven't because of the cost associated with leaving and the uncertainty of finding a rental."

- Female aged between 26 and 35 who earns $110,000 to $130,000 working for the Department of Climate Change, Energy, the Environment and Water.

"I was in that situation, but I left. I'm answering these because I only left 1 month ago. It has financially destroyed me as I have had to get personal loans to pay to set up a house, pay bond etc, but it is worth it to not be under the same roof as him."

- Single mother of three dependent children who borrows money from her parents to buy food. She is aged between 36 and 45 and earns between $110,000 and $130,000 and works for the Department of Planning, Housing and Infrastructure in regional NSW.

In a survey question that asked why people were renting, some respondents said it was related to domestic violence. Their direct responses included the following:

"Because of domestic violence"

"Nil other options due to DFV"

"Lost home after escaping 18-year DV marriage."

"I am currently saving to purchase a house. I had to sell my previous property due to fleeing DV and am now trying to break back into home ownership. My biggest setback is stamp duty."

"DFV former partner drained all my savings and burned my house down. I had to relocate interstate, and I cannot afford to buy even a terrible awful crappy apartment in far western Sydney where I live. Cost of living is too high. If I could access my $220K Superannuation, I could afford to buy a crappy place, but I'd be safe from homelessness. I have an 11-year-old child. She is seeing the worst of this."

CASE STUDY

As a single mother of three, Mary* could not afford to rent a home in regional NSW where she works on staff at a university.

“I would be living on $380 to $400 a fortnight if I were paying rent now. That’s without paying any bills or putting petrol in the car,” she said.

“If it was not for my mum, I would be in dire straits without a roof over my head.”

Mary*, who earns less than $1000 per week after tax, says she would not have been able to afford to leave an abusive partner had it not been for her mother’s intervention.

“It makes me feel sick to think what would have happened if my mother didn’t buy the unit,” she said.

Mary* sold the duplex she now lives in to her mother many years ago when she was still married to buy another house with her ex-husband. Her mother now holds the home in trust for Mary’s* daughter.

Mary* pays the rates and any repairs and maintenance on the two-bedroom duplex.

“My mum saw the writing on the wall, and I sold her my unit many years ago and she kept it because she knew I would eventually leave my husband if I had a safe secure home to go to,” she said.

Mary’s* biggest expense is petrol for her car which she needs to drive to work each day. Her job is half an hour away on the freeway. Public transport is not an option.

“I’m paying about $130 a tank and go through one-and-a-half tanks per week. I also have to ferry my daughter around,” she said.

***Mary is a pseudonym.**

Asked in another question what would have helped them when they faced homelessness, one respondent said:

“Access to my $250K in super! My former partner drained our bank accounts, and I escaped severe DFV with only my newborn. Ten years later I'm clawing my way back to a decent salary, but I can't save a deposit because my rent is crazy.”

CASE STUDY

Despite having a full-time government job, single mother Christine* was homeless for six months before getting a mortgage for a home.

Unlike many of her clients at Homes NSW, she was not eligible for any government support or housing assistance because of her income.

"I was homeless for about six months in 2018 and because I was an employed person, I couldn't get help," she said.

"I was sleeping in my car. I worked full time, joined the gym and did my showering at the gym every morning. I was living out of an Esky. I eventually got a room for $20 a night. I never ate there or showered there."

Christine*, who is aged in her mid-fifties, said it felt dangerous sleeping in her car when she escaped from a domestic violence situation.

"I was sleeping in my car at Centrelink under the cameras," she said.

"Domestic violence put me in that situation.

"I understand what it feels like to really struggle, because I've been there."

While she was homeless, her children stayed with family and friends.

Christine* said she has been working for the NSW Government for more than 20 years since she left school. She earns about $90,000 a year but was "battling" to keep up with her mortgage repayments and other housing costs including home insurance, utility bills and maintenance. She relies on access to natural produce that is grown in the area.

"I am absolutely battling to survive here because of the cost of living," she said. "It's even worse for people who are renting here – the cost of rent is more expensive than having a mortgage.

"I know a lot of people who are homeless who are working. They are sleeping in tents doing the best they can with the kids."

Christine* said she was also finding it difficult finding housing for people who were homeless.

"The emotional toll on our staff is really high," she said. "That's putting pressure on us as staff. These people are camping out near vacant buildings under awnings, under the bridge, under the trees in the park with whatever belongings they have.

"They are desperate to find somewhere safe to stay at night. Their stuff is getting stolen as soon as they fall asleep."

*** Christine is a pseudonym**

The Australian Institute of Health and Welfare has reported that 40 per cent of people who use Specialist Homelessness Support Services are victims of domestic violence in 2024-2025[16].

Australian researchers from the National Health and Medical Research Council have also reported the lack of affordable housing is "inextricably linked" to an increased risk of domestic violence. Their research found that secure housing plays a crucial role in preventing the incidence and impact of domestic and family violence. Insecure and inadequate housing means women are less likely to leave the perpetrator, or more likely to return if they do. It often determines a victim-survivor's ability to resist coercion.

The research published in 2024 shows that of the more than 120,000 who experience homelessness in Australia, nearly one third cite family violence or abuse as the main reason they need help.[17]The researchers noted that Australia's specialist homelessness services are underfunded and unable to meet a high rate of requests, with an average of nearly 295 unassisted requests per day - a total of around 108,000 unassisted requests for 2022–23.[18]

HOUSING SUPPORT

Asked what housing support they needed, one in five of 4152 PSA housing survey respondents said they wanted more public housing.

- **25 per cent wanted more secure rental leases.**
- **29 per cent said they needed more affordable accommodation closer to work.**
- **31 per cent wanted rental caps.**
- **34 per cent said they were in favour of government-led housing initiatives for essential workers.**
- **41 per cent said they wanted reduced incentives for property investors.**
- **47 per cent said subsidised interest rates and home loans.**
- **49 per cent said fairer pay would help address their housing needs.**

Asked what would make them feel more secure in their housing, survey responses included the following:

- ***"Government to improve on public housing, community housing in the metro areas and improve on the cap of income eligibility."***

- ***"Government provided houses with a fair price on rentals, or salary sacrifice for mortgages. I have to work overtime as a single person."***

- ***"access to affordable housing that 'essential' workers get. During Covid my role was considered 'essential' however, I am unable to access the affordable housing scheme."***

- ***"Housing supplied for essential workers to rent ... same system as Defence."***

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[16] Australian Institute of Health and Welfare. Specialist homelessness services annual report 2024-25. Updated 4 December 2025

[17] Li.A, Martino, E, Pike.B, Moulton.J, NHMRC. *The Inextricable Links Between Housing Insecurity, domestic violence and poor health and wellbeing*. INSPIRE Magazine 2024 – Issue 34 p58-59.

[18] Ibid

- ***"Long-term rental security. Victorian-level rental protections. Better pet protections for rentals: no permission for pets required. Abolish 50 per cent CGT discount and negative gearing. More public and social housing. More density everywhere, especially close to transport. More transport hubs: trains and metros please."***

TAX REFORM

The survey found that 51 per cent of 4227 respondents had a mortgage and 10.6 per cent owned their homes outright. Another 37 per cent of members were in the private rental market.

Of 2598 members who responded to the question asking if they had an investment property, 333 (13 per cent) said they had one investment property, 77 (3 per cent) said they had more than one investment property.

Of 2562 responses asking if they supported reductions of tax concessions for investment properties including capital gains tax (CGT) discounts and negative gearing:

- 1015 members (40 per cent) said yes, they supported major reductions in the concessions.
- 575 members (22.4 per cent) said they supported moderate reductions.
- 362 members (14 per cent) said they supported minor reductions.

About 24 per cent (610 people) said they were not in favour of any reductions to tax concessions such as capital gains tax and negative gearing on investment properties.

Survey responses included calls for CGT reform. The following response was to a question about what would help members feel more secure in their housing: **"*reduce capital gains tax for investors".***

But some respondents were opposed to any reductions to investment property tax discounts:

"*I strongly oppose any tax reductions to property investors. I have scraped and saved to put myself and children in a better position and this would be a slap in the face to all those sacrifices and hard work I have had to do as a single mum to be able to purchase investment properties. Having these properties does not make me rich. I am helping families with affordable rent and helping my 4 children for the future."*

"It seems like taking any incentive to get ahead for the future e.g. purchase a rental property is seen as negative, when we are trying to protect our future in an uncertain world of pension/care as retirement is getting closer. Maybe the cap on gains should be … for persons with 5+ investment properties not the average hard workers who are just buying one or two to help with self-funding their retirement."



THE WAY FORWARD

HOUSING OPTIONS

The idea of a house as a home has been lost for younger Australians locked out of a market that treats housing as an investment asset instead of a place to live.

As finance journalist Alan Kohler has observed[19], young people today have little hope of buying their own home without a mum and dad who can afford to help. Kohler says the ratio of the median house price has gone from about 3.5 times incomes twenty-five years ago to eight times incomes in 2024, when the national median house price was $785,556 and an average wage was $98,217. House prices have been increasing by 6 to 7 per cent a year since then, more than twice the rate of increase in incomes, the consumer price index and the economy.[20]

Today the median price for a house in Sydney is more than $1.79 million, a unit is $848,227[21] and the average annual wage is about $106,000.[22]

For many young people and older workers, the cost of renting is now up to half or more of their salary. Saving $85,000 for a deposit to buy a home for $850,000 can seem impossible.

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[19] Alan Kohler, *The Great Divide: Australia's Housing Mess and How to Fix It* (Black Inc. 2024), p146.

[20] Ibid

[21] Dan F Stapleton, '*Just the beginning': Sydney house prices fall as buyers step back*. Domain. April 30, 2026.

[22] Australian Bureau of Statistics media release. Annual average weekly earnings growth slowed in November. Media Release. 26 February 2026.

Older people on low to medium incomes who do not qualify for any government assistance have also been locked out of the housing market. Their fate rests with private landlords who offer them no security beyond the next annual rent rise.

The PSA housing survey highlights the depth of the housing crisis and the urgent need for radical long-term reform. Commonwealth and State governments are on notice they have no time to waste. They must work together on a coordinated response that puts Australians most in need of housing support at its centre.

MORE PUBLIC HOUSING

Once the backbone of post-war housing for working-class Australians and war veterans, public housing has been reduced to serve only the most disadvantaged. Despite growing need, public housing supply has continued to decline in favour of community housing which has failed to sufficiently grow.

Today, there is an increasing proportion of people on low incomes who in the past would have qualified for public housing, but who now face an increasingly unaffordable private rental market. In 1996, about 52 per cent of low-income households rented from private landlords. By 2018, this figure was 71 per cent, according to Productivity Commission figures cited by Per Capita[23]. The loss of secure rent-controlled housing means a greater proportion of low-income earners are in rental stress.

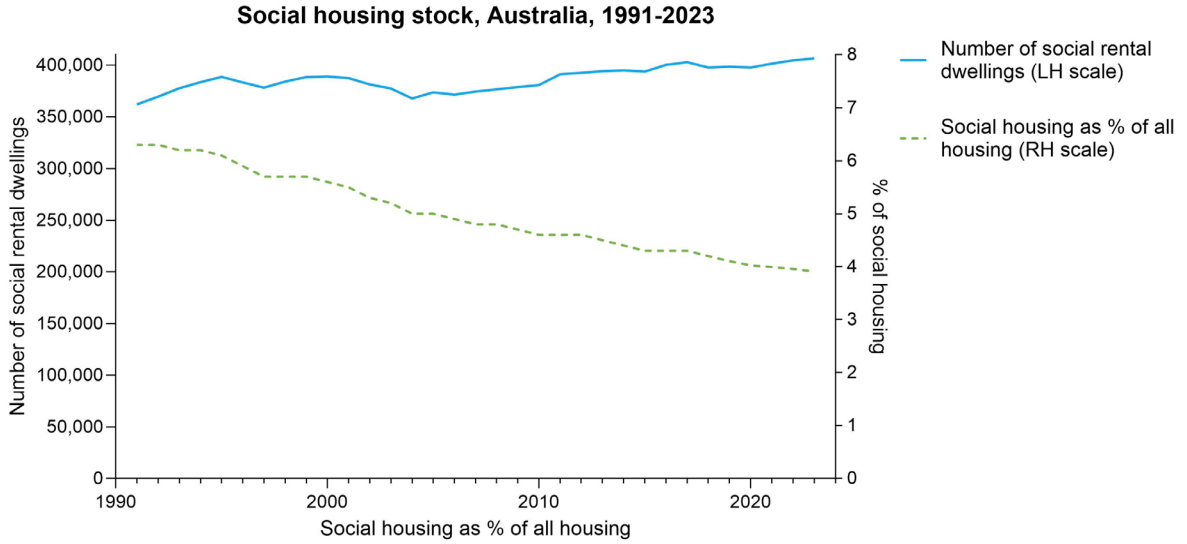
Academics suggest that the decline in what was a stable and respectable source of housing for many working families is the result of long-term policy failure and neglect.

Dallas Rogers, Professor of Urbanism at the University of Sydney, says public housing has been in a policy vacuum for 30 years and is now focused on the most disadvantaged (bottom 10 per cent instead of the bottom 30 per cent) of households. This has contributed to the creation of housing ghettos. Rogers argues that governments should make a renewed commitment to public housing[24].

Housing academic Hal Pawson, emeritus professor at the University of NSW, notes the stock of social housing – public and community housing – has fallen far behind the supply needed to keep pace with population growth. Across Australia, social housing represented more than 6 per cent of dwellings in 1996. By 2021, it was about 4 per cent.

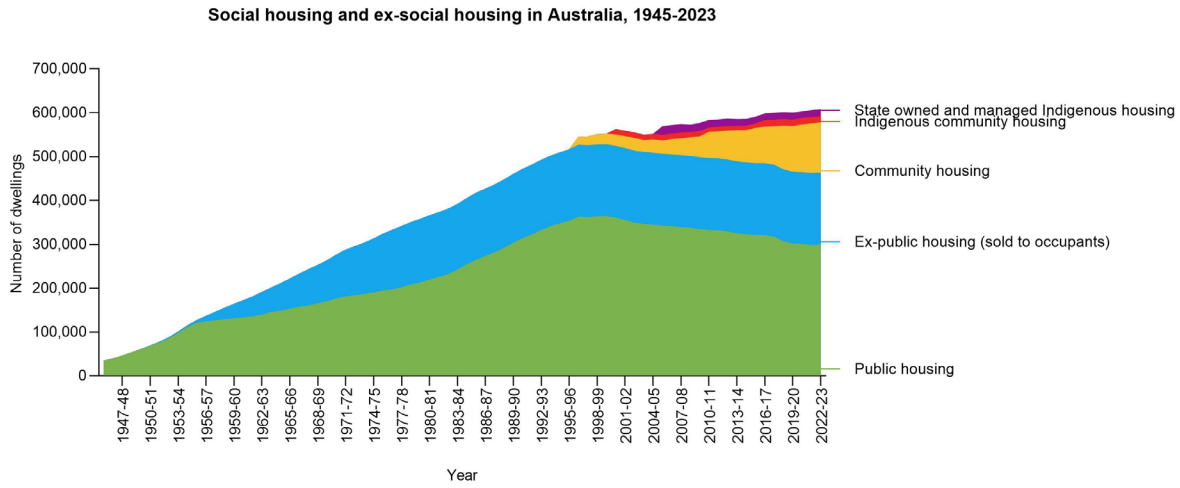
According to Pawson, this was not primarily due to active policy such as large-scale privatisation or demolition. It was “mainly a case of simple neglect”.[25]

[23] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. p21.
[24] Adler-Gillies, Mira: Design, policy and stigma: Lessons from Australia's golden age of public housing ABC Posted 22 Jun 2016, updated 27 Oct 2022.
[25] Pawson, Hal, *The Housing and Homelessness Crisis in NSW in nine easy charts*, 16 March 2023. The Conversation.



Social housing stock, Australia, 1991-2023 (Figure 4.3 in 'Housing Policy in Australia: A case for system reform' (2025)).[26]

While the proportion of public housing as a proportion of all housing reached a high point of 6 per cent in the 1990s, data from Professor Pawson suggests that around 16 per cent of all housing construction between 1945 and 1970 was attributable to state governments. The proportion of state government construction fell to about 1 to 2 per cent in the 2010s and 4 per cent in the 2020s.



Data source: Pawson, H. and Martin, C. (forthcoming) 'Growth without Direction: Australian social housing policy in the 2020s'.

According to the National Housing Supply and Affordability Council, social housing as a share of total dwelling stock has been declining for more than three decades. This reflects low investment rates and the sale and demolition of existing public housing units. Growth in community housing has only partly offset the decline in public housing and demand for social housing continues to exceed supply.[27]

[26] Pawson, Hal; Milligan, Vivienne; Yates, Judith. Housing Policy in Australia. A Case for System Reform. 2025.
[27] The National Housing Supply and Affordability Council State of the Housing System 2025. p10.

Public housing stock in NSW has declined from 100,623 dwellings in 2019 to 92,709 in 2025, with more than 59,000 households currently on the waitlist. Community housing increased from 32,266 dwellings in 2016 to 51,927 in 2025.[28]

In its 2026 report, the National Housing Supply and Affordability Council noted the stock of community housing fell by 392 rental tenancy units, marking the first decline in community housing rental tenancy units in more than a decade.[29]

Citing evidence from a range of studies, Professor Pawson argues that, to address unmet need, Australia needs to double its current stock of social housing.[30] He says that while state and territory governments should contribute to the investment, the Commonwealth should do most of the heavy lifting to boost housing construction[31].

The Commonwealth has made a significant investment through Housing Australia and the NSW State Budget in 2024 included $5.1 billion over four years to build 8,400 social homes[32] across NSW. While the increased investment helps stem the decline in social housing, Professor Pawson said state and federal funding commitments are too modest in scale and limited in duration. He argues Australian governments must collaborate to develop a longer-term plan that better integrates federal and state contributions[33].

Recurrent expenditure on public housing in NSW dropped from $1.33 billion in 2017-18 to $1.29 billion in 2024-25. In Victoria, recurrent expenditure increased from $508.9 million to $707.4 million over the same period.[34]

The Commonwealth should cancel a historic debt of more than $250.26 million[35] that the NSW Government owes in loans for public housing that date back more than 40 years. The Commonwealth has waived[36] South Australia's debt under Commonwealth-State Housing Agreements that pre-date 1989, when the grants were repayable. The Commonwealth is urged to forgive this long-standing debt at a time when NSW is required to address the worst of Australia's housing crisis.

In its recent NSW budget submission, Shelter NSW urges a stronger commitment to social housing, including a target of 10 per cent of total housing stock.[37] The National Housing Supply and Affordability Council has recommended that 6 per cent of housing stock over the medium term and 10 per cent in the longer term should be made up of social housing.[38]

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[28] Australian Productivity Commission Report on Government Services 2026. Part G (section 18) Housing and homelessness. Released 29 January. 2026.

[29] The National Housing Supply and Affordability Council State of the Housing System 2026. p48

[30] Pawson, Hal, *How much social housing does Australia really need?* Presentation to Affordable Housing Development and Investment Summit, Melbourne, 26-28 Feb 2024.

[31] Pawson, Hal. 'Housing Policy in Australia: A case for system reform'. 2025.

[32] NSW Government Budget 2024-2025 Media Release. 18 June 2024.

[33] Pawson, Hal, Martin, Chris, The revival of social housing construction in Australia 2020-2030. Working Paper, February 2026. University of NSW City Futures Research Centre.

[34] Australian Productivity Commission Report on Government Services Housing and homelessness (part G) p 10.

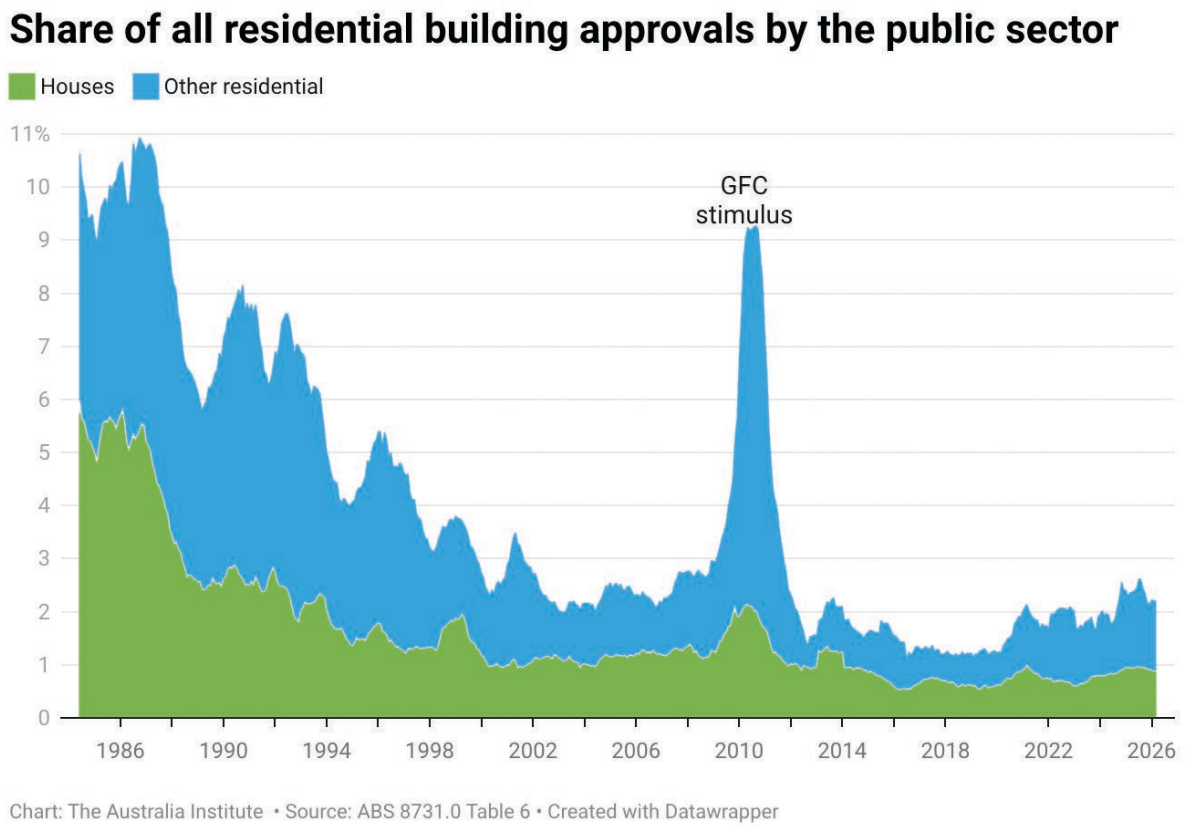
[35] Federal Budget Paper Budget Paper No. 3. Appendix D. Debt transactions. 2025-2026

[36] Matthew Thomas. Australian Parliament. FlagPost, State and Territory Housing Debts. 11 July, 2019.

[37] Shelter NSW 2026-27 NSW State Budget Shelter NSW Pre-Budget Submission: *If not now, then when? Investing towards a secure home for all.* December 2025. p2

[38] Australian Government National Housing Supply and Affordability Council State of the Housing System 2025 p12.

The Australia Institute notes there were 14 public housing approvals for each 100 in the private sector in 1983. In more recent years, there are only 1.7 public housing approvals for each 100 in the private sector, using Australian Bureau of Statistics data.[39]



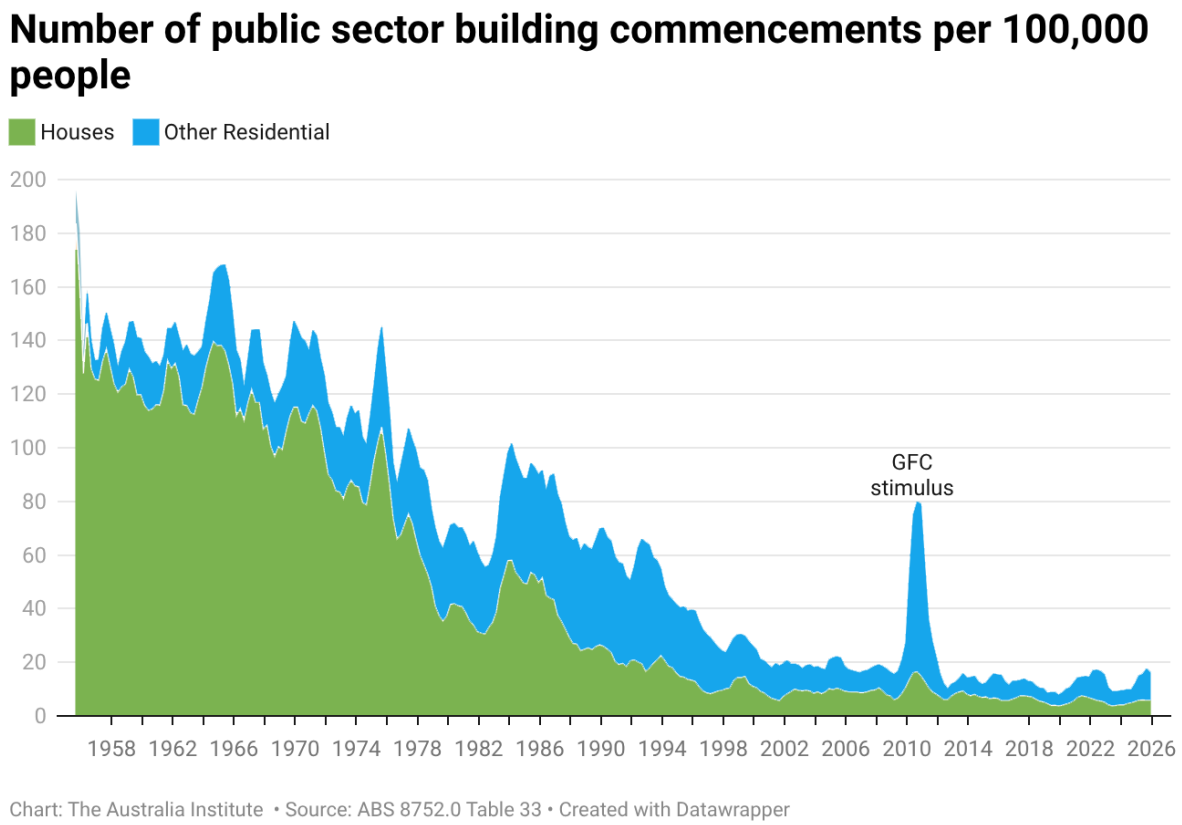
Nationally, public housing stock fell from 320,041 dwellings in 2016 to 296,541 dwellings in 2025. Community housing increased from 80,226 to 118,425 over the same period[40].

Anglicare says 25,000 new public and social homes would need to be delivered every year for the next two decades to meet demand.[41] It says the shortfall in public and community housing has grown to at least 640,000 homes. Anglicare argues that it is this shortfall, rather than a need for generic homes, that has driven the housing crisis. It says that increasing overall housing supply alone will not help create more affordable housing. [42]

Australia's social housing stock is very low compared to other OECD countries including the UK where social housing makes up 16 per cent of its total housing stock – nearly five times the share in Australia. The analysis of OECD data by Australian think tank, Per Capita, also shows that social housing makes up 37.7 per cent of total housing stock in Austria.[43]

[39] Jericho, Greg, *The Solutions to Australia's Housing Crisis are Actually Quite Obvious*, 1 June 2023, The Guardian.
[40] Australian Productivity Commission Report on Government Services Housing and homelessness (part G) p 11.
[41] The Anglicare Australia 2025 Rental Affordability Snapshot p13 and p17.
[42] The Anglicare Australia 2025 Rental Affordability Snapshot p13 and p16.

[43] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. p52



The Australian Housing and Urban Research Institute argues that additional public housing construction is needed as a priority to house the growing population of Australians unable to afford leases in the private rental market.[44]

Across the country, public housing waitlists were at close to record-high levels at 169,000 households in 2024.[45]

Despite the urgent response required to address the housing crisis, NSW appears to have foregone opportunities to secure surplus public land to build more housing because of disagreements between government agencies over land values. Landcom and Homes NSW are required to pay market value for public land but have reportedly acquired only seven out of a potential 60 public sites.[46]

The NSW Government's land and property developer, Landcom, recently decided not to proceed with plans to build up to 1500 homes in three Western Sydney sites in Tallawong, Rooty Hill and Austral, citing "feasibility" as a reason.

The Landcom Corporation Act 2001, under Section 6, requires Landcom to operate like a successful business which means it needs to operate on a competitive commercial basis and turn a profit to maximise the net worth of the State's investment.[47]

[44] Australian Housing and Urban Research Institute Limited. AHURI Final Report No 431. *Planning for a two-tenure Future*. November 2024. p4.
[45] Australian Government National Housing Supply and Affordability Council State of the Housing System 2025 p3.
[46] Max Maddison. Sydney Morning Herald. *The policy getting in the way of improving Sydney's housing supply*. April 28, 2026.
[47] Landcom Corporation Act 2001 No 129.

Instead of capitalising on surplus public land acquisition, the state government embarked on an unsuccessful attempt to buy Rosehill Racecourse for $5 billion to build 25,000 new homes.[48] The NSW public sector has, over the years, reduced its in-house expertise and workforce capacity to deliver public housing. Instead, it relies on external procurement and the private sector to deliver its building projects.

Australian Housing and Urban Research Institute (AHURI) research released in January 2026 found that more than 80 per cent of Commonwealth subsidies to housing flow to the private rental housing sector, with little public accountability.[49] The research notes that Australia's multi-provider social housing system has developed over recent decades through a series of ad hoc policy decisions which has resulted in little growth in overall stock. The researchers say that community housing growth has largely been achieved through stock transfers from public housing, and that social housing provision overall has fallen from 5.2 per cent of dwellings in 1997 to 3.9 per cent of dwellings in 2023.[50]

The NSW policy that aims to apply equal standards of service to housing applicants, whether they enter through a public housing or a community housing 'door', is not apparent in practice, according to Homes NSW staff interviewed for the PSA housing affordability survey. Staff said the 'no wrong door' Housing Pathways policy[51] is not consistently applied in practice and community housing lacked the same level of transparency, accountability and ministerial oversight as public housing.

Housing researchers note the "chaotic and inconsistent nature of regulation" for different providers in the social housing system – and likely confusion for tenants trying to access social housing. Eligibility criteria have favoured smaller households, despite larger families being most in need of support.[52] The AHURI research found that regulation within the community sector focuses on financial risk which has led to a "disconnect and lack of accountability for tenant outcomes".[53]

Housing for the Aged Action Group, which is based in Melbourne, released a report in 2020 which found that community housing providers in Victoria "often lack fairness and transparency in their allocation processes and appear to discriminate against prospective tenants on the basis of income, health requirements, accessibility needs and assumptions about a person's character". The report notes a tension between the obligations of community housing providers to allocate tenancies to applicants with low incomes and the requirement to stay financially viable.[54] Unlike NSW which uses the National Regulatory System for Community Housing, Victoria operates independently under its own registration and regulatory framework.

The Tenants' Union of NSW has raised concerns about community housing tenants facing eviction proceedings in NCAT nearly five times more frequently than private tenants.[55] About 80 per cent of eviction applications by community housing providers are for non-payment of rent. Tenants renting from the largest community housing providers were nearly three times more likely to receive

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[48] Anne Davies. *Blow to Minns as turf club votes down plan to sell Sydney racecourse to NSW to build 25,000 homes*. 27 May 2025.

[49] AHURI Final Report No 452 *Australia's multi-provider social housing system: contest or growth?* p1.

[50] AHURI Final Report No 452 *Australia's multi-provider social housing system: contest or growth?* p3.

[51] NSW Government Housing Pathways policy fact sheet.

[52] AHURI Final Report No 452 Australia's multi-provider social housing system: contest or growth? p3.

[53] AHURI Final Report No 452 Australia's multi-provider social housing system: contest or growth? p4.

[54] Hurren, Claire. Housing for the Aged Action Group, Public Housing and Community Housing: Comparing the rights and experiences of older tenants in Victoria. November 2020. p19

[55] Tenants' Union of NSW: Homes for NSW Discussion Paper, Submission January 2025. p17

eviction applications than public housing tenants in 2025.[56] The Tenants' Union said it was concerned that the higher rate of eviction applications relates to the community housing sector's financial practices with KPIs aimed at running very low rent arrears – without addressing the cause – and the reliance on rental income to fund development and loans.[57]

ACOSS reports that 41 per cent of the public housing waitlist is made up of households that are homeless or at risk of homelessness, up from 26 per cent in 2015.[58]

While most people who face homelessness are unemployed, NSW Government data[59] shows that 17 per cent of people who present to homelessness services are in work.

More than 35,000 people were experiencing homelessness in NSW, according to the latest ABS census data from 2021, cited in the NSW Homelessness Strategy Report as a 27 per cent[60] increase from the number of homeless reported in the 2011-21 census. This number is likely to be significantly higher today. As Homelessness NSW notes, the 2021 Census data is outdated and inadequate considering there was a 60 per cent increase in numbers between 2006 and 2021.[61] Homelessness NSW data modelling suggests that the number of people experiencing homelessness in NSW could now be as high as 80,000, with another almost 700,000 people at risk of homelessness.[62]

The NSW Government Homelessness Strategy consultation report released in January 2024 recognises housing as a human right. However, unlike the ACT, which introduced legislation in 2025[63] recognising that everyone has a human right to adequate housing, NSW has not yet taken the same legislative step.

The PSA welcomes the NSW Government's initial $6.6 billion housing and homelessness commitment, including $5.1 billion[64] to build 8400 new public homes, as a significant start to address the critical shortage. The PSA would urge the NSW government to continue this initial 2024 budget commitment with at least equivalent ongoing funding with indexation.

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[56] Ahmed Yussuf Community housing tenants more likely to face eviction threat than those in public housing. 23 September 2026. ABC News.

[57] Tenants' Union of NSW: Homes for NSW Discussion Paper, Submission January 2025. p17

[58] Australian Council of Social Services *Boost social housing & curb property investor tax breaks* Briefing note (January 2026) cites data from the Australian Productivity Commission Report on Government Services (ROGS) p2.

[59] NSW Government NSW: Homelessness Strategy 2025 – 2035 (August 2025). p8

[60] NSW Government: NSW Homelessness Strategy 2025 – 2035 (August 2025). p11

[61] Homelessness NSW Pre-Budget Advocacy Report: A Place to Call Home. December 2025. p4.

[62] Homelessness NSW Pre-Budget Advocacy Report: A Place to Call Home. December 2025. p1.

[63] Housing becomes a human right in the ACT. ACT Human Rights Commission media release. 17 September 2025.

[64] NSW Government Budget 2024-2025. Media Release. 18 June 2024.

RECOMMENDATIONS

We call for:

- **Public housing stock to be rebuilt in NSW. A target of 6 per cent (in the medium term) and 10 per cent (in the longer term) of total housing stock to be public housing.**
- **An additional $2 billion per year in state government funding to rebuild public housing until it reaches 10 per cent of total housing stock in NSW.**
- **A review of government policy settings under section 6 of the Landcom Corporation Act 2001[65], including the requirement for Landcom to operate like a private corporation and for its developments to return a profit, particularly where this prevents Landcom acting in the public interest to address the housing crisis.**
- **A review of any Treasury and accounting policies that prevent Landcom from securing surplus public land at below market cost. A review of any disagreements between government agencies over public land values, which prevent Landcom from securing surplus public land to address the housing crisis in NSW.**
- **No GST to be charged on construction and maintenance of public housing.**
- **The Federal Government to work with state and territory governments to provide more low-interest housing loans with the aim of developing more innovative public housing at cost price.**
- **The Federal Government to waive any outstanding Commonwealth–State Housing Agreement loan debts that date back to before 1989.**
- **Development of long-term state-government-led housing, including potential cost recovery models that promote sustainable growth in housing supply.**
- **More investment in modern methods of construction, including prefabricated modular housing to hasten development.**
- **Investigation of the feasibility of a modular prefabricated public housing factory to create an ongoing pipeline of public housing on surplus public land.**
- **No surplus public land to be sold to non-government housing providers. Instead, any agreements with non-government housing providers to be on a long-term lease basis to provide certainty of tenure.**
- **A review of regulation of the community housing sector and publication of performance data provided to regulators to ensure greater transparency and accountability.**
- **A review of policy settings to ensure they prevent housing providers from discriminating against individual tenants based on financial risk, welfare status or criminal history.**
- **The NSW Government to introduce housing as a human right in legislation, as the ACT government has done.**
- **Homelessness data to be more up to date than the latest national census cycle currently allows.**

[65] Landcom Corporation Act 2001 No 129.



IMPROVE MAINTENANCE OF PUBLIC HOUSING

Respondents to the PSA housing affordability survey raised concerns about poor maintenance of public housing properties. Their concerns are supported by research that suggests about 20 per cent of public housing stock was in disrepair and the waiting list in NSW was at more than 46,000, with waiting times as long as five to 10 years or more in urban centres, according to analysis released in May 2022 by Per Capita.[66] The Australian Productivity Commission reported an increase, with 59,077 households on the public housing waiting list on 30 June 2025. The percentage of public housing in poor condition had also increased to 35 per cent. About half (51 per cent) of tenants were satisfied or very satisfied with their public housing.[67]

The Commonwealth Government's 2025 State of the Housing Report also shows the share of households with structural problems is especially high for public housing at 22 per cent and around one in three First Nations households, based on ABS 2022b data. In 2019-20, renters overall were almost twice as likely to live in dwellings with major structural problems compared to home owners in 2019 to 2020 (based on the same ABS 2022b data source).[68]

[66] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. p51.

[67] Australian Productivity Commission Report on Government Services 2026. Part G (section 18) Housing and homelessness. Released 29 January. 2026.

[68] Australian Government National Housing Supply and Affordability Council State of the Housing System 2025 p16.

A female PSA housing survey respondent, aged over 25, who works for NSW Health said there was a ***"lack of social housing properties, too many other people on the waitlist, poor condition of current social housing properties, delays in maintenance requests on social housing properties, insufficient modifications for disabilities."***

The NSW Teachers Federation has reported that the Teacher Housing Authority refurbished 12 uninhabitable homes and brought them back into use in 2022-23. But this accounted for less than 25 per cent of the Authority's 50 major ageing and failing dwellings which had been identified for major refurbishment programs in 2022.[69]

The Department of Education has acknowledged the importance of Teacher Housing Authority properties in staff recruitment, but "issues around the availability and maintenance of teacher housing, and associated processes, are negatively impacting the ability of our schools to attract and retain staff".[70]

RECOMMENDATIONS

We call for:

- **The NSW Government to ensure that existing and new public housing stock is adequately maintained by the public sector and not sold off to the non-government sector for expediency to avoid necessary upgrades and repairs.**
- **Investigation of the feasibility of building a public sector workforce to construct and maintain public housing, while also providing a pipeline of trade apprentices.**
- **Publication of data on the proportion of public housing that falls below minimum standards and the estimated cost of remediation.**
- **Provision of adequate government funding to clear the NSW public housing maintenance backlog.**

[69] Submission No 101. Options for Essential Worker Housing in NSW. NSW Teachers Federation. 11 October 2024. p10.
[70] Submission No 101. Options for Essential Worker Housing in NSW. NSW Teachers Federation. 11 October 2024. p11.



AFFORDABLE RENTALS

Many PSA members are struggling to keep up with constant rent increases determined by private landlords. They share the same cost of living struggles experienced by others in their communities. The median rent for a Sydney house jumped to a record high of $800 a week (up 3.9 per cent or $30 a week) over the year to December, according to the Domain Rent Report released in January 2026. Asking rents for Sydney units were not far behind at $750 per week, after rising 7.1 per cent, or $50 a week, over the year.[71]

The Grattan Institute has also reported that rents on newly advertised properties have jumped by at least 50 per cent since 2020 in Sydney.[72]

The Anglicare rental affordability snapshots for 2025[73] and 2026[74] show that a family of four on minimum wage can only afford 13 per cent of rental listings. In 2026, only 3 per cent of properties are affordable for a single person on the minimum wage. Only 0.3 per cent of rental listings are affordable for a retiree on the Age Pension in 2026, which is half the number the Anglicare snapshot recorded one year ago.[75] This is of particular concern for a significant proportion of PSA members who are approaching retirement. Only 0.1 per cent of rental listings are affordable for

[71] Alice Uribe. 'Affordability ceiling': Sydney house rents hit a record high $800 a week. Domain. January 15, 2026.

[72] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. p8.

[73] Anglicare Australia (2025), *Rental Affordability Snapshot 2025*, Anglicare Australia, Canberra, pp. 9, 13.

[74] Anglicare Australia (2026), *Rental Affordability Snapshot 2026*, Anglicare Australia, Canberra, p12.

[75] Anglicare Australia (2026), *Rental Affordability Snapshot 2026*, Anglicare Australia, Canberra, p12.

someone on the Disability Support Pension in 2026 and no listings were affordable for a single person on JobSeeker[76].

The Australian Housing and Urban Research Institute (AHURI) has reported a growing number of people who rent but who would rather not be tenants. The researchers note a slowness in policy to acknowledge and plan for the expansion of private rental as a long-term housing option for a growing proportion of the population. The research stresses that renting now needs to be recognised as a long-term housing proposition.[77]

Longer-term leases and stronger tenancy agreements are among recommendations to secure housing for young and increasingly older renters. The policy challenge is to improve renting as a good housing outcome for renters, particularly those on lower incomes and for older renters with limited superannuation.[78]

In Germany, most tenancies are unlimited (known as 'indefinite') and the renter has rights over their tenancy that are uncommon in short- and long-term leases.[79] Policymakers are challenged with making tenancy arrangements fairly balanced between renters and landlords.[80]

Shelter NSW also argues that the provision of more affordable rental housing is the key reform needed to improve housing justice for working-class families.[81]

The aim to boost housing supply overall is unlikely to increase private rental vacancy rates of properties close to work or reliable transport links in the short term. Shelter NSW says there is generally no need to link affordable housing eligibility to a specific job type. It says affordable rental housing should be made available to low-paid financially stressed workers across the board who currently may not qualify for social housing.[82] It suggests the state government should be agnostic about how household income is earned and focus on good governance to resolve existing affordable housing gaps for all households struggling in the private rental market. Shelter NSW also supports affordable rental housing that is offered in perpetuity.[83]

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[76] Anglicare Australia (2026), *Rental Affordability Snapshot 2026*, Anglicare Australia, Canberra, p12.

[77] Australian Housing and Urban Research Institute (2024), *Planning for a two-tenure future*, AHURI Final Report No. 431, November, pp.4,6.

[78] Australian Housing and Urban Research Institute (2024), *Planning for a two-tenure future*, AHURI Final Report No. 431, November, p5.

[79] Australian Housing and Urban Research Institute (2024), *Planning for a two-tenure future*, AHURI Final Report No. 431, November, p32.

[80] Australian Housing and Urban Research Institute (2024), *Planning for a two-tenure future*, AHURI Final Report No. 431, November, p46.

[81] Shelter NSW (2024), *Submission to the Parliamentary Inquiry into Options for Essential Worker Housing in New South Wales*, NSW Legislative Assembly Select Committee on Essential Worker Housing, 13 September, p1.

[82] Shelter NSW (2024), *Submission to the Parliamentary Inquiry into Options for Essential Worker Housing in New South Wales*, NSW Legislative Assembly Select Committee on Essential Worker Housing, 13 September, p2.

[83] Shelter NSW (2024), *Submission to the Parliamentary Inquiry into Options for Essential Worker Housing in New South Wales*, NSW Legislative Assembly Select Committee on Essential Worker Housing, 13 September, p7.

The Grattan Institute reports that the proportion of households renting has steadily increased from about 28 per cent in 1996 to 31 per cent in 2021.[84]

National research has found that households with low incomes in the private rental market spent an average of 32 per cent of their incomes on housing costs compared with home owners with a mortgage (29 per cent) or home owners without a mortgage (6 per cent). Lone person households, the fastest growing group, spent an average of half their income on housing costs.[85] Between 2001 and 2018, the proportion of social housing tenants in rental stress increased from 8.9 per cent to 18.7 per cent.[86] The proportion of people living in social housing has roughly halved.

RECOMMENDATIONS

We call for:

- **Expansion of essential worker housing eligibility to include key public sector workers who spend more than 30 per cent of their wages on private rents.**
- **Delivery of affordable housing in perpetuity, without time-limited options for developers.**
- **Tighter regulation of private rents and a cap on the size of annual rent increases.**
- **Longer leases and longer tenure in rentals to ensure long-term security of housing for the growing proportion of lifelong renters in NSW.**

RENT ASSISTANCE

The maximum payment for Commonwealth Rent Assistance (CRA) is the same amount for all renters around the country regardless of where they live. This one-size-fits-all approach to rent assistance takes no account of differences in rental rates between city and regional areas and between states.

This means that someone who lives in inner Sydney, the second least affordable city in the world[87] behind Hong Kong, gets the same maximum payment as someone who lives in the Blue Mountains, Bathurst or an outer suburb of Brisbane. Low-income workers in extreme rental stress do not qualify for rent assistance if they do not receive Centrelink benefits[88].

Housing researchers are critical of CRA payments being poorly targeted. The way they are structured does not account for differences in rental costs across Australia and its diverse housing markets.[89]

The current maximum rate of CRA is $219.40 per fortnight[90] for a single person who pays at least $447.34 per fortnight in rent. A couple with one or two children receives a maximum of $257.88 per fortnight if they pay at least $644.42 per fortnight in rent.

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[84] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. P6.

[85] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. p21.

[86] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. p21.

[87] Demographia International Housing Affordability 2025 edition Wendell Cox. P2.

[88] Services Australia website shows eligibility and maximum rates for Commonwealth Rent Assistance.

[89] AHURI Final Report No 452 Australia's multi-provider social housing system: contest or growth? p18.

[90] Services Australia. Commonwealth Rent Assistance maximum fortnightly payments.

Housing researchers from the University of NSW and Curtin University have recommended reforming the CRA eligibility rules to better reflect housing need, arguing that this could generate an annual cost saving of $1.2 billion. Reforming the CRA eligibility rules to better reflect housing need would mostly benefit low-income private renters in Sydney and Melbourne who currently miss out and would make up more than half the beneficiaries of a more targeted approach.[91]

The researchers suggest the CRA could be reformed as a Commonwealth-State and Territory program (with the Australian Government making grants to state and territory governments to pay Rent Assistance to eligible persons). Otherwise, the Australian Government could consider expanding its constitutional powers to empower it to make direct payments for housing, which it is currently prevented from doing.[92]

The Federal Government increased the maximum rate of Rent Assistance by 15 per cent in September 2023 and another 10 per cent in September 2024. These increases were on top of twice-yearly indexation of payments[93]. This was the biggest increase to the CRA in more than three decades[94].

The Grattan Institute has recommended raising the maximum rate of CRA by a further 50 per cent for singles and 40 per cent for couples.[95]

ACOSS reports that 18.3 per cent of CRA households are in severe rental stress (paying more than 50 per cent of their income on rent), up from 8.1 per cent in 2004[96].

CRA is only available to non-government providers of community housing. It is not available for public housing tenants. This benefit, along with tax concessions, provides an incentive for state governments to transfer public housing stock to the non-government sector.

RECOMMENDATIONS

We call for:

- **A review of Commonwealth Rent Assistance to assess if it is fit for purpose for NSW tenants who most need it, particularly in Sydney, as the second least affordable city[97] in the world.**
- **Increase the maximum rate of CRA immediately following a review, making use of expected savings from better targeting of the CRA based on need.**
- **Extension of Commonwealth Rent Assistance to every new public housing resident.**
- **Exploration of the feasibility of extending rent assistance to key workers who are in deep rental stress and unable to live within a reasonable commute to their workplace.**
- **Assurance that any increase in CRA is not inflationary and inadvertently absorbed into higher rents.**

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[91] AHURI FINAL REPORT NO. 342. Demand-side assistance in Australia's rental housing market: exploring reform options. pp2, 47.
[92] AHURI FINAL REPORT NO. 342. Demand-side assistance in Australia's rental housing market: exploring reform options. p48.
[93] Australian Treasury Better Support for Renters fact sheet. treasury.gov.au
[94] Federal Budget 2023-24. Department of Social Services. JobSeeker, Student Payments and Commonwealth Rent Assistance.
[95] Abundant Housing Network Australia. The Brick Book. A national resource document for residential development policy 2025. p6.
[96] Australian Council of Social Service. Media Release. *Government spends more on property investor tax breaks than social housing, homelessness services and rent assistance combined*. 30 January 2026.
[97] Demographia International Housing Affordability 2025 edition Wendell Cox. P2.

- **Help for low-income earners to secure long-term tenancies and provision of rental relief for hardship during emergencies, including floods and bushfires.**
- **Exploration of how the Australian Government can overcome any constitutional barriers to providing rent assistance to state and territory governments through agreements. Alternatively, exploration of expansion of the Australian Government's constitutional powers to allow it to provide direct housing payments to states and territories.**

AFFORDABLE HOUSING

Affordable housing in NSW provides a discount on market rents which makes it affordable in name only in Sydney's inner city, where the average weekly rent can range from $1200 to $2000 for a three-bedroom unit or house. A 20 per cent discount on market rent in Sydney can, for example, mean paying about $1600 a week instead of $2000 a week in inner Sydney.

A two-bedroom apartment in Bondi Junction that is part of the NSW Government's affordable housing scheme was reportedly listed at $1,100 a week to rent. Eligible tenants, including couples on a combined income of no more than $121,100, could spend more than 30 or 40 per cent of their incomes on rent[98].

The Inquiry into Options for Essential Worker Housing in NSW recommends that eligibility for essential worker housing should be based on a clear definition such as market rent exceeding 30 per cent of an essential worker's income, with rent set as a percentage of income instead of as a discount on market rent[99].

In its official response to the inquiry, the NSW Government chose to note rather than support this recommendation. The government said it is undertaking a review of the guidelines.[100]

Not only is the notion of affordable housing a misnomer when applied to rents in the Sydney market, but affordable housing in new in-fill developments does not provide a long-term solution.

The NSW Government introduced its in-fill affordable housing reforms in December 2023[101] to encourage private developers to boost affordable housing, with discounted rents for a limited number of years. The reform gives developers a floor space and building height bonus of up to 30 per cent on the condition that 10 per cent of the development is reserved for affordable homes for 15 years at 20 per cent below market rent. When that time is up, the dwellings can be sold privately at market rates.[102]

Housing advocates suggest these provisions should offer a much higher proportion than 10 per cent as affordable housing, and it should be offered in perpetuity, to increase and sustain long-term supply. Shelter NSW suggests affordable housing should not be time limited to 15 years.[103]

Analysis by economist Cameron Murray and University of Sydney urban planner Emeritus Professor Peter Phibbs suggests the policy settings deliver "windfall gains" to some inner-city

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[98] Cait Kelly. *A two-bedroom Bondi Junction unit for $1,100 a week. Is 'affordable housing' really affordable?* 17 June 2025. The Guardian Australia.

[99] Legislative Assembly Select Committee on Essential Worker Housing. Options for essential worker housing in New South Wales. Report 1/58 - June 2025. Recommendation 6. Page vii.

[100] NSW Government Response. Inquiry into options for essential worker housing in New South Wales. p9.

[101] In-fill affordable housing. Housing SEPP. NSW Government Planning. 14 December 2023

[102] The State Environmental Planning Policy (Housing) 2021 under Section 21 provides for development approval to be given on condition a development provides affordable housing for a minimum of 15 years.

[103] Shelter NSW. Housing SEPP Finalised. Media Release.

developers “with only a minor contribution to affordable housing”.[104] For inner-city developments, the state government could explore the feasibility of asking developers to cash out their affordable housing requirements to allow the government to reinvest the money in affordable rental stock, in perpetuity, as suggested by Professor Phibbs[105]. The NSW Government could potentially pool the money in a fund to build genuinely affordable housing, but this would need to be in equivalent inner-city locations and be offered in perpetuity for key workers.

The Select Committee on Essential Worker Housing suggested that housing solutions for essential workers should endure beyond the lifetime of initial occupants to benefit future generations in perpetuity.[106] It suggested that public and private investments should be structured to provide a sustainable permanent solution to essential worker housing shortages.[107]

The Glebe Island development reserved only 10 per cent of new homes at below market rent for affordable housing, which falls short of a NSW Government pre-election commitment[108] to ensure that developments on surplus public land include a minimum of 30 per cent affordable, social and universal housing. The former Liberal Government had also set itself a 30 per cent affordable housing target.[109]

Committee for Sydney chief executive Eamon Waterford has suggested that publicly owned land on Glebe Island represents a “once-in-a-century opportunity to set a benchmark for a fairer Sydney” for residents of all incomes. He said comparable sites in London mandate 50 per cent affordable housing and that more ambitious targets for affordable housing would help ensure city workers can live close to the communities they serve[110].

Blacktown City Council has also noted that dedicating affordable housing for a limited 10-to-15-year period will result in a short-term ‘band-aid’ fix and render the housing redundant as a long-term affordable housing solution.[111]

Shelter NSW has identified the lack of affordable housing for low- to medium-income households as a problem for the entire community because it affects workforce recruitment, participation, mobility and retention.[112]

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[104] Max Maddison, *Developers to cash in on affordable housing bonuses, report reveals*. 19 October 2025. smh.com.au

[105] Max Maddison, *Developers to cash in on affordable housing bonuses, report reveals*. 19 October 2025. smh.com.au

[106] Legislative Assembly Select Committee on Essential Worker Housing Options for essential worker housing in New South Wales. p10.

[107] Legislative Assembly Select Committee on Essential Worker Housing. Options for essential worker housing in New South Wales. Report 1/58 - June 2025. p23.

[108] The Premier, Minister for Housing, Minister for Planning and Public Spaces. Ministerial media release. New planning rules mean more affordable housing. 15 June 2023.

[109] Andrew Taylor. *Build homes on public land to solve affordability crisis: Minister*. Sydney Morning Herald. August 21, 2022.

[110] Sydney Morning Herald Editorial 6 March 2026. ; Megan Gorrey and Max Maddison *Fancy living in Sydney’s next inner suburb? A one-bedder will set you back $2m.* March 3, 2026. SMH.COM.AU

[111] Blacktown City Council. Attachment 2 - Responses to Supplementary Questions. Legislative Assembly Select Committee on Essential Worker Housing. p3.

[112] Shelter NSW submission on the Parliamentary Inquiry into Options for Essential Worker Housing in NSW. 13 September 2024. Pp2-3.

The Australian Housing and Urban Research Institute noted in a report released in 2026 that models of social housing provision do not cater for the needs of low-to-middle-income households, which are increasingly in rent stress.[113]

The Anglicare rent affordability snapshot showed that despite a 13 per cent increase in rental listings in 2025, affordability stagnated or declined across almost every household type across the country.[114] Anglicare argues that increasing housing supply and relying on a trickle-down effect is not a silver bullet for pushing down rental prices and improving rental affordability.

RECOMMENDATIONS

We call for:

- **A clear definition of affordable housing eligibility based on market rent exceeding 30 per cent of a key worker's income, with rent set as a percentage of income rather than as a discount on market rates.**
- **Affordable housing to last in perpetuity beyond the current limit of 10 to 15 years under the NSW Government in-fill affordable housing policy.**
- **Consistent delivery of the NSW Government pre-election commitment to require at least 30 per cent of dwellings in new developments to be affordable. Tenants should not be charged rents above 30 per cent of a key worker's income.**
- **Reassessment of the in-fill affordable housing policy to ensure it provides genuinely affordable below-market housing options for key workers on low to middle incomes, based on need. Where inner-city developments do not deliver genuine affordability, consider charging developers a levy which the state government could use to build affordable housing in equivalent inner-city locations on surplus public land.**

[113] Lawson, J., Davies, L., Hayward, D., Troy, L., Werner, G. & Dodson, J. (2026), *Australia's multi-provider social housing system: contest or growth?*, AHURI Final Report No. 452, p.1.
[114] The Anglicare Australia 2025 Rental Affordability Snapshot p13

ALTERNATIVE HOUSING MODELS

Working people in NSW are increasingly being pushed out of home ownership and forced to rent further and further away from their workplaces.

A University of Sydney analysis[115] of 2021 census figures shows that a disproportionate share of essential workers, including police, paramedics, firefighters, school teachers and nurses, live in outer Sydney suburbs where property is more affordable.

The analysis shows five suburbs with the most police are an average of 45 kilometres from the central business district. In contrast, the five most popular Sydney suburbs for solicitors are on average less than four kilometres from the CBD.

As the PSA housing survey and evidence-based research from the Australian Housing and Urban Research Institute and the McKell Institute, among others show, the housing affordability crisis is no longer affecting only low-income earners.

Middle-income earners in jobs serving the community are now among those struggling with housing affordability, particularly in Sydney.

A national survey suggests that only 26 per cent of public renters[116] think they will ever purchase a property in Australia. The PSA NSW housing affordability survey also shows that only 34 per cent of its respondents believe they will ever own their own home in NSW.

Countries including Austria, Finland, Denmark, Ireland, Canada and New York State in the US have successfully delivered affordable housing for low to middle-income workers. Despite their success, Australian governments have been slow to adopt similar housing models.

The McKell Institute has recommended[117] continuing the 'Shared Equity Home Buyer Help' program and establishment of land trusts for essential workers in key locations. It also suggests responsible leasing of latent NSW Crown Land at below market rates for the development of essential worker build-to-rent housing. Debt-financing which limits institutional investment in essential worker housing, mandatory inclusionary zoning in areas of forecast high demand for essential workers and establishment of a concessional loan facility geared towards essential worker housing development are also recommended.

The NSW Legislative Assembly Select Committee on Essential Worker Housing recommends[118] that the NSW Government monitor the effectiveness of alternative housing models such as build-to-rent. It should also investigate opportunities to support shared equity schemes tailored to essential workers. The Committee recommends the NSW Government review the implementation of Commonwealth shared equity schemes to ensure essential workers are eligible for future programs.

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[115] Matt Wade and Craig Butt We rely on them to keep Sydney running. But they can barely afford to live here. July 11, 2024. Sydney Morning Herald.

[116] Australian Housing and Urban Research Institute (November 2024), *Responding to changing housing trends for renters and home owners of the future: Policy Evidence Summary*, based on AHURI *Final Report No. 431: Planning for a two-tenure future*. p3.

[117] Mckell Institute Submission to NSW Legislative Assembly's Select Committee on Essential Worker Housing Inquiry. October 2024.

[118] Legislative Assembly's Select Committee on Essential Worker Housing. Options for essential worker housing in New South Wales. Report 1/58 - June 2025. Recommendations 19 and 20. (p ix).

Per Capita has noted that shared equity schemes and build-to-rent models are common in Europe where they have improved access to affordable housing. The think tank finds Australia's modest use of shared equity models is "perplexing" considering the success of these approaches overseas.[119]



SHARED EQUITY AND BUILD-TO-RENT

Vienna, Austria

The Austrian capital Vienna provides low rents, secure tenure in quality social housing for about 60 per cent of its residents. After World War I, the city government built large-scale high-quality architect-designed public housing estates.

During city rebuilding after World War II, the city government was committed to developing public housing that it owned and operated. It also provided support for co-operatives to build rent-controlled housing. These co-operatives could make limited profit to support their long-term sustainability. Unlike public housing in NSW, which is reserved for the most disadvantaged, the City of Vienna targets three quarters of its population including higher income earners to ensure the middle class gets access to subsidised housing.[120]

[119] Per Capita. Housing Affordability in Australia - Tackling a wicked problem. May 2, 2022. P77.

[120] City of Vienna Flat Allocation Criteria ; Annabelle Quince, Nick Baker. ABC Rear Vision. *Vienna has created an equitable and affordable housing market. Here's how. Fri 4 Aug 2023*

Ireland

Ireland recently launched a cost-based social rental housing program[121] for middle-income earners who do not qualify for social housing, but who struggle with private rents. Under the program, rents are at least 25 per cent below market rate and no more than 35 per cent of net household income. The rents only increase in line with inflation. The feasibility of a similar scheme could be explored in Australia for the benefit of low to middle-income earners including key workers. The Greens suggested a similar proposal in June 2024.[122]

Australian proposal for cost-based social rental housing

Housing researchers[123] from RMIT University, the University of Sydney and University of NSW Sydney argue that Australian Housing and Urban Research Institute research spanning 20 years has identified overlooked opportunities for cost-recovery housing models run by tenant co-operatives which could play a larger role in Australia's social housing provision. The researchers say a systematic assessment of housing need is required to replace Australia's fragmented approach to housing planning and provision.

The researchers argue that existing social and affordable housing programs often rely on episodic funding and project-by-project procurement. They suggest these arrangements have built dependencies that require ongoing subsidy without building a permanently affordable housing sector with a long-term capacity for growth.

The housing academics outline a European-inspired approach in which rents are linked to the actual cost of housing, including land, construction, finance, management and long-term maintenance. Under the proposed framework, regulated housing providers would reinvest surpluses into additional housing supply, helping build a permanently affordable rental sector over time. The model is built on cost efficiency and provision of decent living standards. It is similar to housing models in Austria, Finland and Denmark, where limited-profit and cost-rental systems support long-term growth of quality energy-efficient homes.

The housing model provides an opportunity to retain public land in public ownership through government-run or long-term leasing arrangements to preserve affordability, in perpetuity. It assumes a mix of tenant incomes, cost-based rents and targeted subsidies to support financial viability and affordability. Low-cost long-term public finance provision, such as Housing Australia's Affordable Housing Bond Aggregator and National Housing Infrastructure Facility could be used to support this model.

The proposal suggests a housing regulator to oversee governance, financial risk, audit standards, cost-rent calculations, tenant protections, reinvestment obligations and transparent reporting requirements.

The research team's modelling is based on real costs and would require annual public support peaking at around $2 billion to maintain social and affordable housing at approximately 3.9 per

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[121] Cost Rental Housing in Ireland – Complete 2026 Guide & FAQs - mylittlehome.ie ; Cost-based social rental housing in Europe. The cases of Austria, Denmark, and Finland. A Housing Europe Study for the Housing Agency, Ireland. December 2021.

[122] Greens media release. *Public property developer would save renters and first home buyers thousands under Greens plan*. 3 June 2026.

[123] Researchers Julie Lawson, Liam Davies, Jago Dodson, David Hayward, Laurence Troy, Greta Werner and Ryan van den Nouwelant. Growing Affordable Rental Housing via a Cost Rental System. Slide pack. 2026.

cent share of total housing stock. This support includes a capital grant subsidy and rent-gap subsidy. The research suggests that higher levels of upfront public support could increase housing stock by eight per cent of total housing stock by 2070, but this would require an outlay of about $13 billion. Under this scenario, the modelling suggests around one million additional affordable dwellings could be provided, with the reliance on subsidies declining over time as debt is repaid and reinvestment funds accumulate.

Fern Uniting Limited Equity Affordable Housing:[124] Inspired by co-operative housing models in Vienna and Zurich, Uniting NSW ACT is exploring limited equity affordable housing models.

The Uniting model aims to provide affordable housing and secure tenure with stable monthly costs that reduce in real terms over time. This model does not require a cash flow subsidy from government but seeks access to public or benevolent land and concessional lending.

The housing is typically acquired or developed and run by the people who live there, with help from a housing provider. Residents would pay an upfront amount of equity, like a small home deposit or ongoing retirement contribution, to reduce costs. Monthly payments would be similar to rent, but unlike rents in the private market, payments would remain relatively stable, like mortgage payments.

Uniting says the upfront payments would help fund the building and ongoing payments to cover the costs including maintenance, finance and operations. Residents would recoup their ongoing equity contribution when they move out, without any capital gain.

Common Equity Housing Limited (CEHL), Melbourne, Victoria: Located in Melbourne's CBD, a 16-dwelling apartment block is run as a rental cooperative that offers rents capped at about 30 per cent of the income of residents. Initial leases are for three years and can continue indefinitely if the residents maintain their tenancy agreement, even if their financial situation improves. The apartment block in Brunswick is owned by non-profit housing provider Common Equity Housing Limited.[125]

Boronia apartments in the Danks Street precinct in Waterloo, NSW: This City West Housing[126] development is an example of a non-profit enterprise working in partnership with the City of Sydney Council and the NSW Government to provide mixed-tenure housing. The $66 million, five-storey Boronia[127] apartment block in the Danks Street precinct in Waterloo includes 76 apartments for households with a gross combined income of about $148,000 per annum.

Hope Housing[128]: In partnership with Police Bank, Hope Housing has helped 28 essential workers access home ownership, mostly in metropolitan areas. The scheme is open to all 'key workers', has no income cap and no limit on house price. Its aim is for essential workers to be able to live

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[124] Uniting and Fern report – Limited Equity Affordable Housing. April 2026.

[125] Rhiannon Stevens. *How a low-income renter found secure, affordable rental housing*. ABC. 7 May 2026.

[126] City West Housing

[127] Boronia apartments in the Danks Street precinct in Waterloo ; Julie Power, *Affordable housing so good that architects want to live there too*. SMH. February 14, 2026.

[128] Hope Housing

near their places of work, which benefits both the essential worker and the community. The shared equity scheme helps essential workers and their families buy a home in the community they serve by bringing together the homeowner's deposit, bank funding, and a shared equity co-investment in the property the worker has chosen. Hope Housing allows key workers to progressively increase their equity in ownership through annual buyouts that can eventually lead to full ownership.

Build Canada Homes[129]: Build Canada Homes is a federal agency in Canada set up to build long-term affordable housing at scale. It uses public land and low-cost financing. It also supports modern manufacturers to fast-track large-scale housing developments, including factory-built and prefabricated construction. In a comparison[130] between Canada and Australia, University of NSW housing expert Professor Hal Pawson notes that Canada's national house price-to-income ratio rose from under 4.0 in 2003 to 7.7 by 2022, with a similar increase recorded in Australia. However, by 2024, Professor Pawson said apartment building starts fell by 48 per cent from their 2016 peak in Australia compared to Canada where unit commencements grew by 71 per cent over this same period. The main explanation provided for this difference appears to be a construction surge as part of Canada's purpose-built rental apartment industry.

Build-To-Rent in NSW: The NSW Government supported[131] the build-to-rent approach in its response to Recommendation 19[132] of the Inquiry into Options for Essential Worker Housing in NSW.

The Build-to-Rent model includes the following examples:

- **The Joinery Annandale:** (Camperdown WestConnex Dive Site) includes a mix of market sale housing, affordable rental housing, and build-to-rent apartments offered to essential workers at below-market rents. The NSW Government will retain ownership of the build-to-rent properties. Homes NSW is supporting Landcom to develop the model including processes for tenant allocation and rental subsidies. The site was identified under the NSW Government's Land Audit to find surplus government land that could be used for housing. The Camperdown site was secured by Landcom[133] as part of the NSW Government's build-to-rent essential worker housing program.

[129] Government of Canada. Build Canada Homes.

[130] Hal Pawson. A tale of two housing markets: Australia and Canada. 26 February 2026. University of NSW. City Futures blog.

[131] NSW Government Response. Inquiry into options for essential worker housing in New South Wales. P17.

[132] Legislative Assembly's Select Committee on Essential Worker Housing. Options for essential worker housing in New South Wales. Report 1/58 - June 2025. Recommendation 19 (p ix).

[133] NSW Government build-to-rent. 10 February 2025. Media Release

- **The Claymore Renewal Project[134]:** This NSW Government project to redevelop a public housing estate (which was previously associated with crime and poorly maintained housing)[135] will provide 1600 homes with 30 per cent allocated to social housing tenants. The project includes 158 homes for older social housing tenants and is due for completion in 2030. **Action for Public Housing has noted that Claymore's 1123 homes were built in the 1960s. It says the redevelopment will reduce public housing to 450 and add 1010 private homes**.[136]
- **The Waterloo Estate[137]:** The NSW Government has announced this project will deliver 1000 new social homes and 600 affordable homes along with about 1500 private homes in walking distance from the Waterloo Metro.

Build-to-rent housing in NSW provides rents at a discount to market rates. However, rents that are set at 80 per cent of market rates, for example, are still out of reach for people on low to middle incomes in areas such as Sydney's eastern suburbs.

Unions NSW has noted that even a build-to-rent program with 80 per cent market rent will not enable a nurse, putting aside their rental savings plus 10 per cent of salary, to save for a deposit on a different home on the market.[138]

Build-to-rent-to-buy (BTRTB): Unions NSW supports Build-to-Rent-to-Buy programs[139] in metropolitan Sydney that provide affordable housing to essential workers with a pathway to ownership. This model extends the build-to-rent programs with a pathway to ownership.

Unions NSW notes the National Housing Finance and Investment Corporation partnered with the ACT Government and Community Housing Canberra to provide 22 affordable rental homes for vulnerable women, with a built-in option to buy the property after 10 years. In New Zealand, the Rent to Own program offered by the Housing Foundation charity enables tenants to rent an eligible home for five years based on 30 per cent of their gross income. After five years, tenants can buy the home or enter shared equity[140].

The PSA suggests that consideration of this model would need to be accompanied with a strategy to replenish supply.

It should be noted that the NSW Department of Public Works has lost the in-house property development skills it once had to provide a more direct response to innovative property development. The feasibility of restoring its expertise to deliver key worker housing could be explored as an alternative to reliance on costly tenders and procurement.

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[134] The Claymore Renewal Project. NSW Government

[135] Lexi Metherell. *Public housing in Claymore is being redeveloped, displacing some and giving others hope.* ABC.16 Jun 2021.

[136] Action for Public Housing Claymore

[137] The Waterloo renewal project. NSW Government.

[138] Submission No 100. Options for essential worker housing in NSW. Unions NSW. 11 October 2024.

[139] Submission No 100. Options for essential worker housing in NSW. Unions NSW. 11 October 2024. p15.

[140] Submission No 100. Options for essential worker housing in NSW. Unions NSW. 11 October 2024. p16.

The Mitchell-Lama Program, US: The Mitchell-Lama Program provides affordable housing offered at below market rates on a long-term basis to middle-income families across New York State. The program was created in 1955 under the Limited Profit Housing Act. Private or non-profit developers receive low-interest mortgages, tax abatements, and sometimes public land. Any profits are capped and housing must be rented or sold at regulated, affordable prices. Mitchell-Lama housing is privately owned and managed[141].

RECOMMENDATIONS

We call for:

- **The NSW Government to prioritise identifying surplus public land for public housing and affordable housing developments that offer rents below market rates, capped at 30 per cent of income, in perpetuity.**
- **The NSW Government to explore and trial cost-based and shared-equity housing based on successful European models using surplus public land and low-interest Australian Government loans, to preserve long-term affordability and security.**
- **Development of mixed-tenure models that integrate public housing and key worker housing with private housing to reduce the risk of social stigma.**
- **The NSW Government to consistently require developers to provide at least 30 per cent of housing as affordable housing on surplus public land.**
- **The NSW Government build-to-rent projects including Claymore and Glebe Island to include a greater proportion of public and affordable key worker housing.**
- **The NSW Government to require up-front payments from developers to build affordable housing in equivalent inner-city locations on surplus government land, as an alternative to developer provision of affordable housing.**
- **A $10 billion top up of the Housing Australia Future Fund to continue the flow of annual yields to states for provision of non-market housing.**
- **Greater investment in federal government debt financing to boost public housing and affordable housing for key workers in NSW.**

[141] New York State. Mitchell-Lama & Middle Income Housing - Affordable housing for middle income residents.



NSW PLANNING REFORM

NSW has made significant progress on planning reform, but the latest Commonwealth snapshot confirms that much more needs to be done to deliver new homes at a faster rate.

The NSW share of the national 1.2 million five-year Housing Accord target is to deliver 377,000 new homes by 2028-29. The National Housing Supply and Affordability Council report released 30 April 2026 estimates that NSW will deliver 258,000 new homes by 2029.[142]

The latest forecast is 12,000 higher than the 2025 estimate of 246,000 new homes to 2028-29, but just 7000 more than the 251,000 homes NSW delivered over the five years before the Accord period.[143]

The Grattan Institute has acknowledged that as of 2023, state governments including NSW have made a meaningful start to planning reform to increase much-needed housing supply.[144]

In 2025, the NSW Government announced the most significant revamp of the state's planning laws in nearly five decades. The changes included legislating the Housing Delivery Authority to bypass local councils and fast-track significant developments. The changes included the introduction of a new targeted assessment pathway to bridge the gap between a full development assessment and complying development. The changes include the Transport Oriented Development (TOD)

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[142] Australian Government. National Housing Supply and Affordability Council. State of the Housing System. 2026. p69.
[143] Australian Government National Housing Supply and Affordability Council. State of the Housing System. 2025. p7.
[144] Abundant Housing Network Australia. The Brick Book. A national resource document for residential development policy 2025. p3.

program[145] allowing high-rise apartment buildings near transport hubs, along with a Low and Mid-Rise Housing Policy[146] for 171 areas across the state. The new low- and mid-rise rules apply to 138 sites in Sydney, or about 9 per cent of the city's residential land. Dual occupancies have been made legal to build in low-density zoned districts, but gentle density remains illegal in many areas.[147]

While the changes are welcome, NSW has acknowledged it is falling short of delivering 377,000 new homes by 2029 as agreed under the Housing Accord.

NSW Planning Minister Paul Scully told the Planning and Public Spaces Budget Estimates hearing[148] on 26 February 2026 that while there had been 1070 expressions of interest submitted to the Housing Delivery Authority with 624 of those assessed by the panel, only two applications had so far been approved more than 12 months after the process opened on 8 January 2025.

The Grattan Institute has also reported that the current pace of housing construction is falling well short of federal and state government targets to build 1.2 million by 2029-30.[149]

According to the Grattan Institute, NSW reforms fall short in the lack of permission provided for more three-storey townhouses. The Grattan Institute advocates permitting three-storey townhouses and apartments on all residential land in capital cities to unlock capacity for more than one million homes in Sydney. It argues that developments of up to three storeys that meet clear standards should not need a planning permit. It says more land around transit hubs should be upzoned for higher density of at least six storeys.[150]

The Australian Productivity Commission[151] also recommends the adoption of a low-rise housing standard to permit three-storey townhouses and apartment developments on all residential-zoned land in capital cities, as Victoria has done through its Townhouse and Low-Rise Code[152] and Future Homes[153] program. The Grattan Institute[154] suggests Victoria's reforms, and a similar approach adopted in Auckland, New Zealand, provide a template for other states, including NSW, to follow.

CEDA also advocates increasing the number of dual occupancies in Sydney, saying the city could add more than 12 per cent more homes if one in four lots with standalone houses was developed

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[145] David Barwell. This high-rise housing reform promised 185,000 homes. One suburb is doing the heavy lifting. Sydney Morning Herald. October 23, 2025.

[146] David Barwell. The state government wanted mid-rise housing. Here's what it will look like in your suburb. January 7, 2026.

[147] Max Maddison, Megan Gorrey and Jessica McSweeney. 'Single front door': The biggest overhaul of NSW planning laws in 50 years revealed. Sydney Morning Herald. September 17, 2025.

[148] Legislative Council. Portfolio Committee No. 7 Planning and Environment. Hansard. Thursday 26 February 2026. Page 2.

[149] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. p15.

[150] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. p3.

[151] Productivity Commission, *Housing Supply Regulation: Interim Report* (Australian Government, 27 July 2026), p. 2.

[152] Victoria state government, Townhouse and Low-Rise Code.

[153] Victoria state government, Future Homes.

[154] Brendan Coates, Joey Moloney and Matthew Bowes, *More Homes, Better Cities: Letting More People Live Where They Want* (Grattan Institute, November 2025) 36.

into dual occupancies.[155] The NSW Productivity Commission has estimated that planning restrictions have made Sydney's apartments 50 per cent more expensive than they should be.[156]

The Grattan Institute recommends increased density to improve housing affordability and links it to higher wages.[157] It argues that a planning system that allows more homes where demand is high will deliver cheaper homes.[158]

Grattan's analysis suggests that relaxing land use planning controls could boost wages and Australia's GDP by up to $25 billion a year (in today's dollars) or 1 per cent in the long term. These benefits would arise from allowing more people to live in high-wage locations and improving their earning potential. Servicing a new home in an established suburb with infrastructure can be up to $75,000 cheaper than servicing the same home on the urban fringe.

CASE STUDY

In 2016, Auckland in New Zealand rezoned about three quarters of its suburban area and boosted its housing stock by more than 4 per cent. Most of this was extra townhouses and small apartment buildings. House prices in Auckland fell by 15 per cent in real terms compared to a 13 per cent increase for New Zealand as a whole.[159] The benefits of greater density exceeded the costs by a ratio of seven to one in Wellington and five to one in Auckland.[160]

The Grattan Institute suggests New Zealand offers a template for Australian state government reforms to residential land use. It says that if its proposed reforms had the same impact on new housing construction as similar reforms in New Zealand, they would lift housing construction in Australia by an average of more than 67,000 new homes each year over the next decade.[161]

RECOMMENDATIONS

We call for:

- **A simpler permit approval process with clear standards to allow more gentle density including three-storey townhouses and apartments on all residential land in cities, to unlock capacity for more homes.**
- **Consideration of the development of a NSW and/or a national code for townhouse development to simplify upzoning. Removal of any local planning restrictions that are less permissive than the NSW or national codes.**
- **Development of a preapproval process and a design pattern book for prefabricated housing for rapid turnaround where most needed.**

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[155] *Ceda. A Middle Path: How Gentle Density Can Help Solve Australia's Housing Crisis*. 2025. p8.

[156] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. P33.
[157] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. p14.
[158] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. P43.
[159] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. p38.
[160] PWC. Cost-benefit analysis for a National Policy Statement on Urban Development Final report for the Ministry for the Environment July, 2020. p49.
[161] More homes, better cities Letting more people live where they want. Grattan Institute. November 2025. P43.



UNDERUSED PUBLIC LAND AND EMPTY PROPERTIES

Another issue contributing to a lack of housing in some areas is the reluctance of empty nesters and retirees, who live in larger homes than they need, to downsize.

One PSA housing survey respondent who lives in Central West NSW said:

"I live in a country town where housing prices used to be affordable and they are now not. There are also many foreign investors … buying vacant properties and not letting them out, just leaving them empty. There are also some other foreign investors buying properties and then using them for Airbnbs, which is not helping the availability of properties in the town or area."

- *Female aged between 36 and 45 who lives in a Central West region. She earns between $110,000* and *$130,000 and pays 31 to 40 per cent of her salary on the mortgage.*

Media reports have revealed that tens of thousands of homes in Sydney sit empty.[162] *The Sydney Morning Herald* reported in 2023 that there were 164,624 empty homes in Sydney when the social housing list was at around 57,500.[163]

[162] Greg Callaghan Left to rot: the 'ghost homes' scourge in our big cities – amid a housing crisis. Good Weekend July 13, 2024.

[163] Sydney Morning Herald. *In this Sydney suburb, one in three homes is empty. It's not just a data error.* January 17, 2023.

Finance journalist Alan Kohler has said there are 11 million houses in Australia for 27 million people. He said the last Census revealed more than a million homes were empty on Census night. It also showed that about one in three two-person households live in a four-bedroom house. Kohler has suggested creating tax incentives for renting out granny flats and dual accommodation.[164] There are also examples of tower buildings that are empty because of building defects.[165]

Responses to questions and answers in NSW Parliament in 2023 revealed that as at 31 August 2023, 3416 Land and Housing Corporation-owned public housing dwellings were vacant in NSW. There were 1091 vacant properties undergoing restoration to make them habitable as of 3 September 2023.[166]

RECOMMENDATIONS

We call for:

- **The state government to encourage empty nesters to downsize to increase the number of larger homes for families who most need them.**
- **Exploration of the feasibility of land tax and stamp duty reform to discourage property speculation and encourage people to downsize.**
- **Consideration of a stamp duty waiver for key workers purchasing a principal place of residence in NSW.**
- **Exploration of the feasibility of an empty dwelling levy based on the Victorian Government's vacant residential land tax policy[167].**
- **Support for continued Federal Budget tax initiatives to discourage foreign investment in Australia's property market.[168]**

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[164] Greg Callaghan Left to rot: the 'ghost homes' scourge in our big cities – amid a housing crisis. Good Weekend July 13, 2024.

[165] Ellie Busby. *In the middle of Parramatta sits a 24-storey residential tower. No one lives there*. Sydney Morning Herald. October 27, 2025.

[166] Parliament of NSW Hansard. Greens MP Jenny Leong question 1401 – Vacant Public Housing Dwellings.

[167] Victoria State Revenue Office Vacant residential land tax policy which applies a tax on homes left vacant the previous year.

[168] Australian Taxation Office. Extension of the ban on foreign purchases of established dwellings. Announced on 12 May 2026

WOMEN AND OLDER WORKERS RENTING AND APPROACHING RETIREMENT

Radical reform of housing policies is required to address the needs of older women in the private rental market who are not eligible for housing finance.

Only 0.3 per cent of rental listings are now affordable for a retiree on the Age Pension in 2026, which is half the number the Anglicare snapshot recorded one year ago.[169]

RECOMMENDATIONS

We call for:

- **Measures to address ageism and sexism in lending and financial services including banks, government services and non-government organisations, that discriminate against single women, particularly older women, seeking home loans or personal finance.**
- **A specialist housing information and support service like the Home at Last model in Victoria for older people.[170]**
- **A special category for social housing eligibility like Victoria's special housing needs category for people aged 55 years and over[171] which applies to people not otherwise eligible for priority access.**
- **Government loans with discounted interest rates for public sector workers including women fleeing domestic violence and those aged over 45.**
- **A review of Commonwealth Rent Assistance as it applies to pensioners and older women along with other key workers in deep housing stress.**

[169] Anglicare Australia. Rental Affordability Snapshot 2025. 16th edition. p13; Anglicare Australia. Rental Affordability Snapshot National Report 2026. 17th edition. p12.

[170] Housing for the Aged Action Group (HAAG). Home at Last model. Victoria.

[171] Housing Victoria. Social housing eligibility. Special housing needs for people aged 55 years and over.

TAX REFORM

State

The Victorian Government's property tax reforms helped Melbourne earn recognition as the best capital for renters and first home buyers.[172] The Victorian Government increased land tax and tightened tenancy laws, which resulted in many investors leaving the market. Melbourne was reported to have the largest share of properties for rent and to have outperformed other states in building more homes. This suggests that NSW could learn some lessons from its Victorian neighbour about how to improve housing affordability.

Federal

The Commonwealth Government introduced changes to the Capital Gains Tax and Negative Gearing in the Federal Budget on 12 May 2026 following widespread calls from economists, welfare and housing advocates and a Senate committee.

The PSA NSW wrote to the Prime Minister in April 2026 calling for a reduction in the capital gains tax and negative gearing tax concessions and for any extra revenue this generates to be reinvested in building more public housing and more affordable housing for first home buyers and key workers.

The Federal Budget announced that negative gearing and the capital gains tax discount will be limited to new build properties from July 2027. The negative gearing changes will be grandfathered to protect existing investors, and a new method of taxing capital gains will only apply to gains made after July 2027.

Independent economist Saul Eslake said the negative gearing and capital gains tax reforms will not solve the housing crisis overnight, "but they represent the most ambitious attempt this century to rebalance Australia's tax system and address intergenerational inequality"[173].

Banks reportedly backed Treasury forecasts that property price growth will slow by about 2 per cent over three years and have a minor impact on weekly rents.[174] While the changes are expected to have a moderate impact on lowering house prices, housing experts predict they will dampen the enthusiasm of landlord investors at auctions, to the benefit of first home buyers.

The Federal Budget changes to both negative gearing and capital gains tax are expected to generate about $1.35 billion in the first year (2028-29) and $2.3 billion in the second (2029-2030).[175]

As ABC finance reporter Ian Verender said, that is short of the cash Treasury reports is lost on the tax incentives and this is mostly explained by the decision to grandfather the changes. People with existing investment properties will continue to receive negative gearing

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[172] Peter Mares. *Anywhere but Melbourne?* Inside Story. 28 January 2026.

[173] Saul Eslake, *Budget 2026: The biggest tax reform agenda in a generation*. Pearls and Irritations. May 14, 2026.

[174] Shane Wright, Natassia Chrysanthos. Spooked investors could see house prices sink after big budget changes. Sydney Morning Herald. May 13, 2026.

[175] Federal Budget 2026-2027. Budget Measures. Budget Paper No 2. Part 1: Receipt Measures. Page 5.

gains and the original capital gains tax arrangements will remain in place until changes are introduced next year.[176]

The Australian Council of Social Service (ACOSS) has calculated that the 50 per cent CGT discount and related CGT concessions and negative gearing arrangements cost the Commonwealth Budget around $30 billion in 2024-25. It has estimated an extra $19 billion could be generated if the CGT discount was reduced by half to 25 per cent, and negative gearing concessions were phased out for existing investments over five years, with no negative gearing concessions applying to any new investments.[177] ACOSS estimated that revenue generated from capital gains tax and negative gearing arrangements could potentially generate an additional $19 billion over the forward estimates - enough to build an estimated 32,000-49,000 dwellings for people on low incomes.[178]

In its submission to the Senate Select Committee in December 2025, the Grattan Institute said that reducing the Capital Gains Tax discount to 25 per cent, with a gradual phase-in over five years could raise about $6.5 billion a year. It suggested the money raised could potentially be used to increase support for low-income renters by boosting Commonwealth Rent Assistance. It predicted property prices would fall by less than 1 per cent and that new home owners would benefit at the expense of investors if the capital gains discount was reduced.[179]

Oxfam claimed that by scrapping the capital gains tax (CGT) discount, the government could restore about $22.7 billion to the budget in 2024-2025. It found that 24,000 people who earned more than $1 million in 2022-23 gained an average of $271,000 from the 50 per cent capital gains tax discount. Oxfam said that 85.6 per cent of the tax discount went to the top 10 per cent of income earners and nearly 50 per cent went to just 0.15 per cent of the working population who earned more than $1 million that year.[180]

Three quarters of the total benefit of CGT was enjoyed by the top 10 per cent of taxpayers in 2019-20. Figures published in December 2025 show this share has increased to 83 per cent for 2022-23. The top 1 per cent of taxpayers accounted for more than half (54 per cent) of all capital gains income in 2022-23, with an average gain of $850,690, according to ACTU analysis of Australian Government tax expenditure.[181]

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[176] Ian Verender. *Why Chalmers reined in the property tax lurks in federal budget 2026.* ABC. 12 May 2026.

[177] ACOSS Submission to the Senate Select Committee on the Operation of the Capital Gains Tax Discount. 18 December 2025. p2.

[178] ACOSS Submission to the Senate Select Committee on the Operation of the Capital Gains Tax Discount. 18 December 2025. p2.

[179] Coates, B. Moloney, J. Sathanapally, A. Grattan Institute. Reforming Capital Gains Tax discount. Submission to the Senate Select Committee. December 2015. ; Commonwealth of Australia Official Committee Hansard Senate Select Committee on the Operation of the Capital Gains Tax Discount. Monday 23 February 2026. Melbourne. p23.

[180] Oxfam. The Elephant in the Room Australia's Failure to Tax Wealth. October 2025. p5.

[181] Commonwealth of Australia. Tax Expenditures and Insights Statement. February 2023. ; Australian Government. The Treasury. 2025-26 Tax Expenditures and Insights Statement.

Capital Gains Tax history

1985: The *Reform of the Australian Tax System: Draft White Paper* (1985) argued for wide-ranging tax reform. It recommended the introduction of a capital gains tax to close a tax avoidance loophole.

1985: The CGT was introduced and applied to realised gains and losses on assets. Capital gains were indexed in line with the consumer price index (CPI).

1999: The Ralph Review recommended that the CPI indexation of capital gains be abolished and replaced with a new calculation based on paying tax on only 50 per cent of realised capital gains at their marginal income tax rate if the asset was held for more than 12 months. Prime Minister John Howard adopted the recommendation to stimulate interest in capital investment including shares. Finance journalist Alan Kohler says 50 per cent is three times what was necessary to replace the inflation adjustment[182].

2000: The dotcom bubble burst, share prices fell and people then mostly took advantage of the CGT discount to invest in property because shares were on the nose. House prices started rising at about double the rate of incomes and about double the rate of GDP in the year 2000, according to Alan Kohler[183].

2019: In the lead up to the Federal election, the Australian Labor Party made commitments to remove negative gearing and reduce the Capital Gains Tax to 25 per cent.

2021: Labor abandons the plan to halve the 50 per cent capital gains tax discount and the removal of negative gearing.

2026: The Greens established the Select Committee on the Operation of the Capital Gains Tax Discount which found in March that the CGT discount, in combination with negative gearing, has skewed the ownership of housing away from owner-occupiers and towards investors. The committee also found that the benefits of the CGT are unequally distributed with implications for income and wealth inequality and intergenerational inequality.

2026: The Federal Budget on 12 May announces changes to the CGT and negative gearing. The use of negative gearing will be restricted to new builds only from July 2027. The changes will be grandfathered so that people who already negative gear their properties can continue to do so until they are sold. The 50 per cent CGT discount will be scrapped and replaced with the previous system which used the Consumer Price Index to determine how much the property value has grown in real terms. The capital gain accrued on top of the index amount will be subject to a tax rate of at least 30 per cent. People who buy new properties for investment will be exempt from the changes.

[182] Hansard 23 February p9.
[183] Hansard 23 February p9.

According to ACOSS, the Federal Government currently spends more on tax concessions for housing investors ($12.3bn in 2025) than on social housing, homelessness services and rent assistance combined ($9.6bn in 2025).[184] Dr Peter Davidson from ACOSS said tax treatment of capital gains is inequitable and inefficient and contributes to the unaffordability of housing. He said that while reducing the CGT discount is not the whole answer, it is an important part.[185] Former Federal Treasury Secretary and Reserve Bank of Australia Governor Bernie Fraser said the capital gains tax should be abolished to help make housing more affordable for all Australians. He said housing should provide a home and no longer be viewed as an investment asset for wealthy people.[186]

The Senate Select Committee on the Operation of the Capital Gains Tax Discount, which delivered its final report in March 2026, found that the concessions provided by the capital gains tax discount, in combination with negative gearing, have "skewed the ownership of housing away from owner-occupiers and towards investors". The report found the benefits of the capital gains tax discount are unequally distributed, with implications for income and wealth inequality and intergenerational inequality.[187]

As an indication of how the capital gains tax and negative gearing benefits have distorted the housing market, ABS data shows that the number of investment loans rose to a record high of 60,445 in the December quarter of 2025 when property investors accounted for about 40 per cent of all new housing finance commitments.[188]

RECOMMENDATIONS

We call for:

- **Exploration of increased NSW land tax and stronger tenancy laws which have been credited for helping improve housing affordability in Victoria.**
- **Monitoring of capital gains tax and negative gearing changes from July 2027 to track their impact on housing affordability and intergenerational housing inequality.**
- **Reinvestment of any additional revenue from the reduction of capital gains tax and negative gearing concessions to build more public housing and affordable housing for key workers.**
- **Further revenue to be invested in Housing Australia to boost interest payments to states.**

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[184] ACOSS. Media Release. *Government spends more on property investor tax breaks than social housing, homelessness services and rent assistance combined*. 30 January 2026.

[185] Commonwealth of Australia Official Committee Hansard Senate Select Committee on the Operation of the Capital Gains Tax Discount. Wednesday 25 February 2026. Sydney. p12.

[186] Commonwealth of Australia Official Committee Hansard Senate Select Committee on the Operation of the Capital Gains Tax Discount. Tuesday 24 February 2026. Canberra. p18.

[187] The Senate Select Committee on the Operation of the Capital Gains Tax Discount. Report on the Operation of the Capital Gains Tax Discount. March 2026.

[188] ABS Lending Indicators Quarterly estimates of new borrower-accepted finance commitments for housing, personal and business loans. December Quarter 2025. Released 11 February 2026.

CONCLUSION

Australia's housing crisis is no longer a problem confined to people out of work or on low incomes. It is deeply entrenched in the lives of key workers in the public sector and the communities they serve across NSW.

The evidence shows that thousands of key workers are in housing stress, paying well above 30 per cent of their incomes in rent. Many skip meals, delay medical care, endure unsafe and abusive living situations, or commute long distances to work.

A growing number face housing insecurity and homelessness, including staff whose professional role is to support others who are homeless. Women, particularly those aged 45 and over, disproportionately face lifelong renting and housing insecurity. Some are at risk of homelessness in retirement.

These outcomes are a result of decades of policy choices that have prioritised housing as an investment instead of a secure place to live. Greater investment in public housing, genuinely affordable housing for key workers, better targeted rent assistance, stronger renter protections, simplified planning, and tax settings that reduce property speculation are crucial to help low- and middle-income workers secure housing.

Not only is the housing crisis hurting individuals, it hurts the economy. Housing insecurity impacts on workforce retention, productivity, safety and service delivery across the state. It also puts frontline workers under stress and contributes to intergenerational inequality. The housing crisis legacy will shape social and economic outcomes for decades to come.

This report demonstrates that piecemeal reform will not make up for decades of policy indecision and neglect. What's required is a reset of housing policy across Commonwealth and state governments — a restoration of public housing, delivery of genuinely affordable housing in perpetuity, stronger renter protections, reform of tax settings, and a guarantee that public land will be preserved to serve the public interest.

Australians do not need nostalgia. But they do need governments to return to traditional values of a house as a safe and secure place to call home - a home that shelters the most disadvantaged people in our communities and provides them with the dignity they deserve.

The policy recommendations set out in this report provide a practical, evidence-based pathway to achieving that goal. The cost of inaction will be felt by workers, families, public services and governments for decades to come.

What is needed now is the political courage to think past the next election cycle. The need for decisive action will shape a legacy for future generations to come.

SUMMARY OF POLICY RECOMMENDATIONS

The PSA calls for a reset of NSW and Commonwealth housing policy. Core reforms include rebuilding public housing to at least 10 per cent of total stock, embedding housing as a human right, reforming tax and rental regulation, improving affordability and security in the private rental sector, and expanding access to rent assistance and alternative public housing models. The recommendations emphasise the need for genuinely affordable housing provided in perpetuity, fairer eligibility to government supports based on need, better use of public land, responses to gender- and age-related homelessness risks and improvements to planning and governance frameworks for enduring outcomes.

REBUILD PUBLIC HOUSING STOCK IN NSW

RECOMMENDATIONS

We call for:

- **Public housing stock to be rebuilt in NSW. A target of 6 per cent (in the medium term) and 10 per cent (in the longer term) of housing to be public housing.**
- **An additional $2 billion per year in state government funding to rebuild public housing until it reaches 10 per cent of total housing stock in NSW.**
- **A review of government policy settings under section 6 of the Landcom Corporation Act 2001[189], including the requirement for Landcom to operate like a private corporation and for its developments to return a profit, particularly where this prevents Landcom acting in the public interest to address the housing crisis.**
- **A review of any Treasury and accounting policies that prevent Landcom from securing surplus public land at below market cost. A review of any disagreements between government agencies over public land values, which prevent Landcom from securing surplus public land to address the housing crisis in NSW.**
- **No GST to be charged on construction and maintenance of public housing.**
- **The Federal Government to work with state and territory governments to provide more low-interest housing loans with the aim of developing more innovative public housing at cost price.**
- **The Federal Government to waive any outstanding Commonwealth–State Housing Agreement loan debts that date back to before 1989.**
- **Development of long-term state-government-led housing, including potential cost recovery models that promote sustainable growth in housing supply.**
- **More investment in modern methods of construction, including prefabricated modular housing to hasten development.**
- **Investigation of the feasibility of a modular prefabricated public housing factory to create an ongoing pipeline of public housing on surplus public land.**
- **No surplus public land to be sold to non-government housing providers. Instead, any agreements with non-government housing providers to be on a long-term lease basis to provide certainty of tenure.**
- **A review of regulation of the community housing sector and publication of performance data provided to regulators to ensure greater transparency and accountability.**

[189] Landcom Corporation Act 2001 No 129.

- **A review of policy settings to ensure they prevent housing providers from discriminating against individual tenants based on financial risk, welfare status or criminal history.**
- **The NSW Government to introduce housing as a human right in legislation, as the ACT government has done.**
- **Homelessness data to be more up to date than the latest national census cycle currently allows.**

IMPROVE MAINTENANCE OF PUBLIC HOUSING

RECOMMENDATIONS

We call for:

- **The NSW Government to ensure that existing and new public housing stock is adequately maintained by the public sector and not sold off to the non-government sector for expediency to avoid necessary upgrades and repairs.**
- **Investigation of the feasibility of building a public sector workforce to construct and maintain public housing, while also providing a pipeline of trade apprentices.**
- **Publication of data on the proportion of public housing that falls below minimum standards and the estimated cost of remediation.**
- **Provision of adequate government funding to clear the NSW public housing maintenance backlog.**



AFFORDABLE RENTALS

RECOMMENDATIONS

We call for:

- **Expansion of essential worker housing eligibility to include key public sector workers who spend more than 30 per cent of their wages on private rents.**
- **Delivery of affordable housing in perpetuity, without time-limited options for developers.**
- **Tighter regulation of private rents and a cap on the size of annual rent increases.**
- **Longer leases and longer tenure in rentals to ensure long-term security of housing for the growing proportion of lifelong renters in NSW.**

RENT ASSISTANCE

RECOMMENDATIONS

We call for:

- **A review of Commonwealth Rent Assistance to assess if it is fit for purpose for NSW tenants who most need it, particularly in Sydney, as the second least affordable city[190] in the world.**
- **Increase the maximum rate of CRA immediately following a review, making use of expected savings from better targeting of the CRA based on need.**
- **Extension of the Commonwealth Rent Assistance to every new public housing resident.**
- **Exploration of the feasibility of extending rent assistance to key workers who are in deep rental stress and unable to live within a reasonable commute to their workplace.**
- **Assurance that any increase in CRA is not inflationary and inadvertently absorbed into higher rents.**
- **Help for low-income earners to secure long-term tenancies and provision of rental relief for hardship during emergencies, including floods and bushfires.**
- **Exploration of how the Australian Government can overcome any constitutional barriers to providing rent assistance to state and territory governments through agreements. Alternatively, exploration of expansion of the Australian Government's constitutional powers to allow it to provide direct housing payments to states and territories.**

[190] Demographia International Housing Affordability 2025 edition Wendell Cox. p2.

AFFORDABLE HOUSING

RECOMMENDATIONS

We call for:

- **A clear definition of affordable housing eligibility based on market rent exceeding 30 per cent of a key worker's income, with rent set as a percentage of income rather than as a discount on market rates.**
- **Affordable housing to last in perpetuity beyond the current limit of 10 to 15 years under the NSW Government in-fill affordable housing policy.**
- **Consistent delivery of the NSW Government pre-election commitment to require at least 30 per cent of dwellings in new developments to be affordable. Tenants should not be charged rents above 30 per cent of a key worker's income.**
- **Reassessment of the NSW in-fill affordable housing policy to ensure it provides genuinely affordable below-market housing options for key workers on low to middle incomes, based on need. Where inner-city developments do not deliver genuine affordability, consider charging developers a levy which the state government could use to build affordable housing in equivalent inner-city locations on surplus public land.**

ALTERNATIVE HOUSING MODELS

RECOMMENDATIONS

We call for:

- **The NSW Government to prioritise identifying surplus public land for public housing and affordable housing developments that offer rents below market rates, capped at 30 per cent of income, in perpetuity.**
- **The NSW Government to explore and trial cost-based and shared-equity housing based on successful European models using surplus public land and low-interest Australian Government loans, to preserve long-term affordability and security.**
- **Development of mixed-tenure models that integrate public housing and key worker housing with private housing to reduce the risk of social stigma.**
- **The NSW Government to consistently require developers to provide at least 30 per cent of housing as affordable housing on surplus public land.**
- **The NSW Government build-to-rent projects including Claymore and Glebe Island to include a greater proportion of public and affordable key worker housing.**
- **The NSW Government to require up-front payments from developers to build affordable housing in equivalent inner-city locations on surplus government land, as an alternative to developer provision of affordable housing.**
- **A $10 billion top up of the Housing Australia Future Fund to continue the flow of annual yields to states for provision of non-market housing.**
- **Greater investment in federal government debt financing to boost public housing and affordable housing for key workers in NSW.**

NSW PLANNING REFORM

RECOMMENDATIONS

We call for:

- **A simpler permit approval process with clear standards to allow more gentle density including three-storey townhouses and apartments on all residential land in cities, to unlock capacity for more homes.**
- **Consideration of the development of a NSW and/or a national code for townhouse development to simplify upzoning. Removal of any local planning restrictions that are less permissive than the NSW or national codes.**
- **Development of a preapproval process and design pattern book for prefabricated housing for rapid turnaround where most needed.**

UNDERUSED PUBLIC LAND AND EMPTY PROPERTIES

RECOMMENDATIONS

We call for:

- **The state government to encourage empty nesters to downsize to increase the number of larger homes for families who most need them.**
- **Exploration of the feasibility of land tax and stamp duty reform to discourage property speculation and encourage people to downsize.**
- **Consideration of a stamp duty waiver for key workers purchasing a principal place of residence in NSW.**
- **Exploration of the feasibility of an empty dwelling levy based on the Victorian Government's vacant residential land tax policy[191].**
- **Support for continued Federal Budget tax initiatives to discourage foreign investment in Australia's property market.[192]**

[191] Victoria State Revenue Office Vacant residential land tax policy which applies a tax on homes left vacant the previous year.

[192] Australian Taxation Office. Extension of the ban on foreign purchases of established dwellings. Announced on 12 May 2026

WOMEN AND OLDER WORKERS RENTING AND APPROACHING RETIREMENT

RECOMMENDATIONS

We call for:

- **Measures to address ageism and sexism in lending and financial services including banks, government services and non-government organisations, that discriminate against single women, particularly older women, seeking home loans or personal finance.**
- **A specialist housing information and support service like the Home at Last model in Victoria for older people.[193]**
- **A special category for social housing eligibility like Victoria's special housing needs category for people aged 55 years and over[194] which applies to people not otherwise eligible for priority access.**
- **Government loans with discounted interest rates for public sector workers including women fleeing domestic violence and those aged over 45.**
- **A review of Commonwealth Rent Assistance as it applies to pensioners and older women along with other key workers in deep housing stress.**

TAX REFORM

RECOMMENDATIONS

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- **Further revenue to be invested in Housing Australia to boost interest payments to states.**

[193] Housing for the Aged Action Group (HAAG). Home at Last model. Victoria.

[194] Housing Victoria. Social housing eligibility. Special housing needs for people aged 55 years and over.



APPENDIX

Appendix A.

Employer		Overall housing stress		Women in housing stress		Men in housing stress	
	Total respondents	**Housing stress count**	**Housing stress %**	**Women in stress (n)**	**Women in stress %**	**Men in stress (n)**	**Men in stress %**
Education – Schools & Support	1211	634	52.4	517	81.5	104	16.4
Education – TAFE NSW	161	82	50.9	57	69.5	24	29.3
Corrective Services NSW – POVB	390	229	58.7	73	31.9	151	65.9
Community Services – Child Protection	305	179	58.7	148	82.7	25	14
Transport for NSW	304	165	54.3	92	55.8	71	43
DCCEEW	231	103	44.6	62	60.2	33	32
Homes NSW	218	126	57.8	92	73	31	24.6
Corrective Services NSW – Non-Custodial	151	84	55.6	54	64.3	23	27.4
NSW Rural Fire Service	124	71	57.3	16	22.5	53	74.6

Appendix B.

	Total Numbers			Proportion in housing stress		Women in housing stress		Men in housing stress	
Where do you live?	**Total respondents**	**Total women**	**Total men**	**Housing stress (n)**	**Housing stress (%) – all genders**	**Women in stress (n)**	**Women (%)**	**Men in stress (n)**	**Men (%)**
Sydney metropolitan	2572	1646	843	1466	57.0	935	63.8	479	32.7
Regional	2463	1562	833	1277	51.8	828	64.8	417	32.7
Remote	106	73	33	46	43.4	35	76.1	11	23.9

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2 November 2026 • Version 3 • Printed by Planet Press, 18 Sheridan Close Milperra NSW 2214