



Affordable housing for key workers

Currently, there are no federal or state government housing programs or policies specifically designed to support key workers' access to housing. Delivery of affordable, sustainable housing choices for low- and moderate-income earners, more broadly, has been limited by lack of enabling legislation and consistent funding.

In Victoria, initiatives to provide key worker housing are also inconsistent across LGAs. Housing affordability, whether renting or purchasing, is a challenge for many in the north because of escalating house prices and other barriers to affordable housing and diversity of dwelling type.

As demand outstrips supply, more people across Melbourne's north undertake a long commute between home and places of work and activity centres, predominately by car. This includes key workers in service occupations such as health, education and emergency services, who often need to travel long distances to their places of employment or are faced with having to relocate. This may also require an increase in public transport investment to ensure easier movement of workers.

Programs designed to support key workers must apply both the key worker definition and an income threshold to determine eligibility.

Benefits

Provision of affordable housing will unlock growth opportunities for businesses that are struggling to recruit staff and are battling to grow the business. It also means there will be a larger labour catchment to support workforce requirements.

From a strictly economic perspective, this will potentially unlock residential and commercial opportunities. It will also make significantly better use of public transport and other community infrastructure that already exists in this region, providing significant environmental benefits via the reduction of carbon emissions.

From a social construct, ensuring that affordable housing is strategically targeted at key workers and accessible to employment precincts will help increase the social capital and resilience of communities and benefits to the economic sustainability of key industries.

Aim

Increase the density and dwelling typologies of affordable housing in new and established areas for essential workers with low and moderate incomes. The strategy and funding should be led by state and federal governments, with local government having a key role in partnering, advocating and facilitating.



Key asks

- Effectively engage local government in the early planning and development of long-term solutions to the affordable housing and worker accommodation crisis.
- Mandate a percentage of affordable housing for workers, particularly those with low to and moderate incomes, as part of precinct structure plans and any activity centre development; this should focus on (but not be limited to) the priority precinct areas of Cloverton, Epping, Latrobe NEIC, Broadmeadows, and smaller precincts of the inner north and around Beveridge Station (noting that any rezoning should be exempt from windfall gains tax).
- Fast track interim opportunities within the Precinct Structure Plan programs and infrastructure projects, including consideration of key worker precincts, and develop health and education precincts with consideration of leveraging government Big Build projects.
- Apply the Northern Metropolitan Land Use Framework Plan to prioritise location of key worker housing close to major employment anchors such as hospitals, universities, public transport hubs.
- Incorporate mandatory inclusionary zoning in the Victorian Planning Provisions to increase the supply of affordable housing in new private developments.
- Investigate the use of public sector land to deliver affordable housing for key workers.
- Identify land that has plans for future access to a range of public transport options.
- Investigate disincentives for developers with active permits to extend delays on approved construction.
- Develop investment guidelines to encourage private investment in housing for key workers.
- Develop a government shared ownership program for properties delivered through some of the above mechanisms.
- Develop an 'air rights' model that requires developers to futureproof a range of infrastructure so it can accommodate affordable housing (for example, shopping centres being built to support vertical expansion with a range of accommodation).
- Commit to the appropriate renewal of public housing so existing land can be optimised to functionally deliver additional housing for key worker groups.
- Develop minimum sustainable guidelines for aesthetic purposes, including diversity of dwelling type.
- Commit to a program of positive narratives around affordable housing.
- Adjust State Land Tax concessions on Build to Rent schemes to provide greater incentives for the provision of affordable built to rent properties than full market rental properties.
- Develop a definition of key workers and define their income thresholds.