

**Submission  
No 122**

## **INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING**

**Organisation:** Millers Point, Dawes Point & The Rocks Public Housing Tenants  
Group

**Date received:** 28/02/2014

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Millers Point, Dawes Point and the Rocks  
Public Housing Tenants Group

Submission to NSW Parliamentary Inquiry into  
Social, Public and Affordable Housing

The Director  
Select Committee on Social, Public and  
Affordable Housing  
Parliament House  
Macquarie St  
Sydney NSW 2000

[www.parliament.nsw.gov.au/committees](http://www.parliament.nsw.gov.au/committees)

## Terms of Reference

### Inquiry into social, public and affordable housing

1. That the Select Committee inquire into and report on demand for social, public and affordable housing and in particular:
  - a) Projections of future social, public and affordable housing supply and demand to 2020
  - b) Data regarding the link between the lack of appropriate social, public and affordable housing in New South Wales and indicators of social disadvantage
  - c) Housing design approaches and social service integration necessary to support tenant livelihoods and wellbeing
  - d) Maintenance and capital improvement costs and delivery requirements
  - e) Criteria for selecting and prioritising residential areas for affordable and social housing development
  - f) The role of residential parks
  - g) Recommendations on State reform options that may increase social, public and affordable housing supply, improve social service integration and encourage more effective management of existing stock including, but not limited to:
    - i. policy initiatives and legislative change
    - ii. planning law changes and reform
    - iii. social benefit bonds
    - iv. market mechanisms and incentives
    - v. ongoing funding partnerships with the Federal Government such as the National Affordable Housing Agreement
    - vi. ageing in place, and
  - h) Any other related matter.
2. That, in conducting the Inquiry, the Committee note the recommendations of the 2013 report of the Audit Office of New South Wales entitled "Making the best use of Public Housing".
3. That the Committee report by 9 September 2014.

## **SUMMARY**

We, the Millers Point, Dawes Point and The Rocks Public Housing Tenants Group, argue that Housing NSW should return to the concepts that the Department of Planning saw in the Millers Point Community Study of 1990. We call for:

- Maintenance of the status quo of long-term Public Housing Tenancies
- Maintenance of the properties in good condition
- A stop to any further sale of properties
- Reduction of the Housing NSW waiting list by leasing all the empty properties
- An increase in public housing rental incomes
- A campaign for real capital investment through the National Affordable Housing Agreement

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## **SUBMISSION**

### **Introduction**

Millers Point and the Rocks comprise the earliest established, continuous European settlement in Australia. Its heritage character is deeply valued and respected by the residents and is acknowledged around the world. Tourists make this area one of their first visits in Sydney.

Residents are aware that we all have an obligation to preserve the heritage qualities of the area for the future. This means a disciplined restraint in regard to buildings, streetscapes and open areas, preventing inappropriate signage, advertising, purported art and commercial activity. Over the years our community has demonstrated this respect for heritage.

This is a community combining - happily and constructively - residents whose families have lived and worked in the area for more than four generations together with more recent residents who live now in the high-rises in Kent Street and Walsh Bay.

The Millers Point community defended the public housing stock from previous threats in the last decade.

Our community is notable for its key role in the “Battle of The Rocks” in 1973/74, when many were arrested during occupations of proposed demolition sites during the “Green Bans”. That turbulent period ended with the protection of much of The Rocks and today Sydney enjoys a thriving economy of mainly small businesses in this historic precinct. In other words, our community stood up to so-called responsible authorities and was

proven right. However, a number of Public Housing tenants were moved from The Rocks to Millers Point.

This living heritage motivates our Public Housing Tenants Group to again rally to defend, maintain and enhance our community by resisting the destruction and sell-off of the 400 public housing units in our area.

## **History**

Millers Point and Dawes Point Village constitute a rare and historic part of Sydney, which retains many early buildings and still displays the traditional character of a workers' township. It is of State significance through its ability to demonstrate -- in its physical form, historical layering, documentary and archaeological records and social composition -- the development of colonial and post-colonial settlement in Sydney and Australia. It remains a living cultural landscape greatly valued by its local residents and the people of New South Wales.

The National Trust has called for existing residential tenancies to be recognised and given some degree of security of tenure, and for Housing NSW's maintenance obligations to be met to a standard commensurate with the State Heritage significance of the buildings.

“One aspect of human needs is the urge to discover our roots and origins. We need a cultural heritage to provide explanation and meaning, as to why we are living our lives in the style we do today”.

(Chin, 2002 p.372)

Chin's statement highlights the need for people to understand their existence by connecting with their past to discover their origins.

Millers Point is valued for the working class culture from which it originated. The area developed from a mercantile economy (McGuirk & Waitt 1996, p.15) which was supported by a resident working class of 'wharfies.' The establishment of Sydney as a port city contributed heavily to the growth of Millers Point into a working class neighbourhood. (PhD thesis by Cameron Byrne)

The bubonic plague of 1900 was first recorded in Millers Point and the people were accused by the press of the time that their precinct had been the cause of the plague: the wool that was being unloaded at Millers Point also contained rats, with fleas, with the plague. (Shirley Fitzgerald)

"In terms of Millers Point it meant getting hold of the private wharfage so that it could be redeveloped as a more efficient work space. The plague I guess was a godsend because it did give them the excuse to resume the wharves and they resumed a certain amount of housing as well".

(Shirley Fitzgerald, Tape MP-FH, Side B, 10)

Large parts of Millers Point were resumed in 1900 by the newly set up Sydney Harbour Trust. After the First World War, the Sydney Harbour Trust completely rebuilt Pottinger Street and Hickson Road, causing further loss of heritage housing. In the 1930s the demolition of Princes Street, Harp Street and other now vanished streets occurred to make way for the Bradfield Highway and the Sydney Harbour Bridge.

The Sydney Harbour Trust was taken over by the Maritime Services Board in 1936.

In 1986, Frank Walker, then Minister for Housing, arrived in Millers Point and told the residents about all the marvellous benefits they would get from the transfer of the houses to the Department of Public Housing.

After the Housing NSW takeover, it commissioned a heritage survey (1986) and a conservation study (1987) which led to the decision that the whole of Millers Point should be retained “as a cohesive example of 19<sup>th</sup> and early 20<sup>th</sup> century townscape”. The Sydney City Council’s draft local environment plan for the city defines the majority of the area as a “conservation zone”. The studies establish that what is at stake in Millers Point is its totality as a “precinct” and that its coherence is due to the fact that ownership of the vast majority of places is in the hands of one landlord, the State.

In 2005, Housing NSW commissioned an oral history project to “add to the understanding of the history of Millers Point and its community to assist in the formulation of management and interpretation strategies for the area by the various stakeholders”.

The project brief to tenderers stated “that the long-term residents of Millers Point provide a rich resource of oral information contributing to an understanding of the history of the area and the community”. It also recognised that “it is important for Housing NSW to assist its understanding of residents’ needs, expectations and the community’s attachment to the place and thus in the formulation of strategies, such as social housing, local area plan, community options and others”. The oral history consultants were expected to explore what it was that made this part of the city a community and investigate residents’ aspirations for the future and how they saw themselves as a part of Sydney.



However, as Sydney has witnessed with other historic working class communities in Paddington, Balmain, Glebe, Darlinghurst and Surry Hills, Millers Point is under significant pressure from a wealthier class for the working class to 'move out'. The working class mind the houses until the rich want them.

This section is based on the Auditor General's Report of 2013: 'Making the Best Use of Public Housing'.

### **Projections for Social Housing demand to 2020**

There are three ways social housing is provided in New South Wales: public housing, community housing and Aboriginal housing. The majority of social housing stock is public housing (approximately 79% or 119,000 dwellings). The remaining stock is community housing (approximately 18% or 27,000 dwellings) and Aboriginal housing (approximately 3% or 5,000 dwellings).

We are concentrating on public housing owned by the Land and Housing Corporation with tenancy managed by Housing NSW.

### **Current State of Public Housing**

Findings: The current portfolio and funding arrangement does not enable Housing NSW and Land Housing Corporation to meet the changing public housing needs.

Public housing is ageing and increasingly not fit for its purpose, because so little has been spent on renewing the housing stock over the last 25 years. It is declining as a proportion of the overall New South Wales housing stock.

This means that more and more public housing is allocated to frail, aged and people

with disabilities, often multiple problems, who rely entirely on welfare payments, and less and less to low income families whose income is mainly from the labour market.

There is an increasing shortfall between the supply of and demand for public housing. Changing tenants' needs and ageing public housing stock are issues across Australia.

Much of the public housing stock consists of larger properties while the greatest demand (and rising) is for smaller and accessible dwellings.

There have been initiatives and resources directed towards reshaping the public housing asset base to better reflect the needs of today's tenants, but not enough to keep pace with the changing client profile.

Public housing is now supporting fewer people than 10 years ago, and its use is becoming less efficient, with 30% of three or more bedroom public housing properties occupied by a single person or a couple.

With constraints on rental and grant funding and existing assets requiring increasing maintenance expenditure, LAHC advised that, to continue to operate within its means, it has implemented measures such as selling properties and delaying some capital and maintenance expenditure. This will impact the condition and level of stock, and is not financially sustainable long term.

### **Projection of all social housing need – client types (2021)**

Older people 32%, other low-income households 30%, significant disability (including with children) 23%, other households with children 13%, young people unable to live at home 2%. Source: HNSW March 2012 (modelled in 2008)

In Central Sydney, there were 12,838 applicants on the waiting list as at June 2012.

There are fewer public housing tenancies today due to reduced public housing stock, and the reduction in the number of people per household. Now single households comprise almost 60% of all tenancies.

While the housing stock reduces, the number of potential tenants increases. The waiting list is projected to grow by 60% by 2016. However, there are also many households eligible for social housing that are not on the waiting list.

Overall, Housing NSW estimates that all social housing meets about 44% of need.

A big part of the deficit problem arises from policies which meant there was no funding for new public housing during the 11 years of the Howard Government.

### **Current Public Housing Financial Situation**

Land and Housing Corporation's revenue primarily comes from collected tenancy rental payments and grants paid by Housing NSW. Land and Housing Corporation also receives funding from the sale of properties. The budgeted 2012-13 amounts are:

- tenancy rental payments \$700 million
- grants towards the capital program \$65 million
- net asset sales \$165 million.

Land and Housing Corporation advises that to prevent the shortfall and continue to operate within its means in 2012-13, it is balancing its budget by:

- reducing maintenance and upgrading of existing properties and capital programs

- selling properties.

**This approach is neither socially nor financially sustainable.**

### **Move toward community housing**

New South Wales has been moving away from the traditional government-provided public housing model. Since 1996, New South Wales has been transferring some property management to community housing providers, and more recently, title transfers. This facilitates the growth of the community housing sector. This outsourcing trend follows similar directions in other Australian States and Territories, in line with the reform agenda set out in the National Affordable Housing Agreement.

In May 2009 the States and the Commonwealth agreed to develop a large-scale community housing sector in Australia to own and/or manage up to 35% of social housing stock by 2014. Under this agreement the States receive Commonwealth funding.

Community housing providers must manage their properties in accordance with relevant legislation, regulation and policies developed by Housing NSW, but they have some additional flexibility including income mix, and matching clients to properties.

In New South Wales, titles to 3,099 dwellings have been transferred to community housing providers for nil consideration. Title transfers to a further 2,921 properties are planned. The combined value of all these dwellings is reported to be almost \$1.5 billion. The New South Wales Commission of Audit reported in May 2012 that as part of the transfer the community housing provider sector has committed to deliver 1,200 new social and affordable housing properties over ten years. This will be financed by

leveraging the housing assets against borrowings.

Housing NSW advise that community housing provider tenants have access to Commonwealth Rent Assistance that goes directly to the tenant and is recouped by the community housing provider, which helps them operate at a profit. This payment is not available to public housing tenants and so cannot be recouped.

This current policy indicates that virtually all new capital investment in social housing will come from borrowings and small profits in the community housing component, largely underwritten by Commonwealth rental subsidy payments. This is unsustainable.

### **Aims of Millers Point Public Housing Tenants (PHT) Group**

We are fighting to return to the concepts that the Department of Planning saw in the Millers Point Community Study of 1990. In 1990 the Department of Planning commissioned the Millers Point conservation study which describes Millers Point in the following terms:

The most significant aspect of the place is its unity... It is not a building here or an archaeological deposit there – although individual items have been acknowledged. Rather, it is an immensely complex interaction between its architecture, archaeology, landscape, landform, location, past and present use, and, most importantly, its people. This very complexity demands something out of the ordinary when policies or developmental proposals affecting the area are being drawn up and it is of the utmost importance that the mistakes made in The Rocks are not repeated here.

## Recommendations

### 1. Maintain the status quo of long-term Public Housing Tenancies

Tenants live in public housing for a long time. The 2010 National Social Housing Survey of nearly 10,000 public housing tenants showed that in New South Wales public housing tenants were more likely to have lived in public housing for more than 10 years, with over one-third for more than 20 years.

Exits from public housing have declined over the last five years. Contributing factors include:

- an increasing proportion of public housing tenants are vulnerable clients for whom the private market presents extreme challenges
- an increasing shortage of affordable housing options in the private market.

Since 23 October 2006, new tenants entering public housing are offered a fixed-term lease of two, five or 10 years. Prior to this, tenants lived in public housing under continuous leases, when this was government policy.

Tenants on continuous leases can remain in public housing 'for life' subject to meeting their obligations under the Residential Tenancy Agreement. The majority of public housing tenants (69.2%) are still on continuous leases.

Putting new tenants on short-term leases adds to the stresses of living on low incomes.

## **2. Maintain the properties in good condition**

Until recently, lack of maintenance has been a big problem especially as lack of maintenance causes severe deterioration in the quality of the housing stock, which, as the 2013 Auditor General's Report states, is not sustainable in the long term.

## **3. Stop any further sale of properties**

This is another practice which puts stress on the public housing tenants.

Furthermore, as mentioned in the Auditor General's report, this practice is not sustainable in the long term.

Housing NSW has a policy against concentration of public housing tenants because of a range of social problems in many locations, but this is not the case in Millers Point, where the community of public housing tenants has great depth and resilience.

## **4. Reduce the Housing NSW waiting list by leasing all the empty properties**

As well as the deterioration in the dwellings, Housing NSW is wasting a considerable amount of its housing assets, especially considering the number of people on the housing waiting lists, because 90 units in Millers Point are now empty as the government is not maintaining them as they want to sell them.

## **5. Increase public housing rental incomes**

Current policy requires 25% of the income of each person in a public housing tenancy to be paid as rent, even when this is far greater than market rentals. This

has forced many families with employed members out of public housing. This rental policy should be changed now so that total rent for any public housing tenancy is capped at or somewhat below market rent. This would maintain more resilient communities and higher revenues for Housing NSW. Since around 2008, Housing NSW has stopped letting dwellings to working families and is instead only providing accommodation to vulnerable people. This means that they don't have a reasonable income to provide for maintenance.

## **6. Campaign for real capital investment through the National Affordable Housing Agreement**

Under the 2008-12 National Economic Stimulus Program, the Commonwealth Government invested \$5.28 billion into new public and community housing, and \$400 million into repairs and maintenance, of which \$1.76 billion in new housing and \$300 million in repairs and maintenance was invested in NSW. This was a vital component in keeping the residential construction industry alive during the Great Recession, and was the first major boost in new public housing units in 25 years.

This program is now over, but it is clear that it should continue to meet the identified growing demand for public and community housing, and to help the residential construction industry continue to recover from historic low levels of activity.

The NSW government should aggressively assert the need for this program to continue at the average level achieved in the years 2008-12.



## **A few comments from the National Trust**

**Why is it Significant?** Millers Point & Dawes Point Village precinct is of state significance for its ability to demonstrate, in its physical forms, historical layering, documentary and archaeological records and social composition, the development of colonial and post-colonial settlement in Sydney and New South Wales. The natural rocky terrain, despite much alteration, remains the dominant physical element in this significant urban cultural landscape in which land and water, nature and culture are intimately connected historically, socially visually and functionally. The whole place remains a living cultural landscape greatly valued by both its local residents and the people of New South Wales.

**Why is it at Risk?** Current plans by the NSW Government for the redevelopment of East Darling Harbour (now called 'Barangaroo') propose the removal of all existing heritage items at Barangaroo North and the creation of an urban park, which will have a major impact upon the village character of Millers Point. This proposal coincides with actions by Housing NSW to sell off the government-owned former port workers housing throughout Millers Point without consideration of the cumulative impact upon the State Heritage listed values of this unique urban area.

**What need to be done?** Millers Point and Dawes Point Village is a rare and historic part of Sydney, which retains many early buildings and still displays the traditional character of a workers township. Most of the buildings of the area are in government ownership and recently redeveloped warehouses and the Walsh

Bay wharves have been developed on 99 year leases. Existing residential tenancies should be recognized and given some degree of security of tenure and Housing NSW's maintenance obligations should be met to a standard commensurate with the State Heritage significance of the buildings.

### **A submission from Barney Gardner, a member of our committee**

My father Cecil (Barney), waterfront worker & mother Joyce, waterfront canteen worker along with my older sister Roselyn & brother Ronnie lived in a one bedroom flat in Cambridge St. The Rocks. They moved to Millers Point in the 1940's to a 3 bedroom unit which was regarded as a treat back then.

I was born at in July of 1949 (moved into in 1990 where I live today), attended the Council run Lance Kindergarten at the bottom of like most of the children of the waterside workers. Then St. Brigid's Catholic Primary School ( this being the oldest catholic church school in Australia) thence on to Fort St Primary. I like many of my school chums then finished our education at different high schools.

As a child growing up and living here at 'Point' as generations before, it was not easy! This was a dirty, industrious and noisy area (6-7 days a week). It had no footy ovals, no cricket grounds or swimming pools, but this was our home!

Our main source of recreation was the Council run King George V (the 'Kinky') playground in what was then called York St. Nth., now Cumberland St. We would meet there after school and on weekends where touch footy, basketball, cricket and paddle

tennis were played on bitumen courts.

The staff who were addressed respectfully as Sir, Mr, Mrs. or Miss administered all the sports and recreations. They also took us on day outings and sometimes if we were lucky on weekend camps. These were truly amazing people!

Other activities that we involved ourselves in, like swimming in the harbour (the fav. spot known as the Met so known after its working name at Walsh Bay) & fishing from the wharves, these were all generational things that still persist today.

We also raced our bikes around the neighbourhood and built Barra's billy carts from wood off the wharves and ball bearings from the Maritime Machine Shop. These were assembled at the 'Kinky' then we would race them down the steepest hills at the 'Point' all day with the girls cheering us on until one of the residents all affectionately known as Uncle this or Aunty that, would threaten us with a kick up the backside for disturbing their day off.

My working life was around the city, Millers Point & the waterfront, as a labourer, electrician and painter & docker. I finished work in the mid 1990s, when my hips gave out, and all the ship repair work went away.

Reflecting back now on my interesting journey as a 'Pointer'. I have witnessed many, many changes some good some bad. There was the Rocks Green Ban where I saw my Mum & Dad's work and recreational friends as well as my school chums forced from their homes some never to be seen again. If a lesson should be learnt from that it would

be not to repeat the same mistakes at Millers Point and destroy a community!

The Wharf wars which eventually led to the demise of nearly all working wharves and commercial shipping in Sydney Harbour. This was the end of an historic era and it should be remembered and celebrated in memory of all Waterside Workers and their Families who shaped and formed the culture, the history and the heritage of this area known as 'Millers Point'.

In 1986 the Dept. of Housing seceded the Maritime Services Board as landlord and the Minister of the day Frank Walker came to Millers Point and painted a road full of dreams as to how better off we would be! Well that dream turned into a nightmare as I once again saw many neighbours and friends leave the 'Point' due to the rent structure. Now others are leaving because of the lack of maintenance and repairs causing the dwellings to crumble around them!

Over the years we the tenants have come under attack in many forms, it seems that every time a State Government is voted in because the previous Gov. has bled the coffers dry the incoming Gov. turns their attention to the 'Point' not because of who we are or what we have contributed but for the value of the land and the revenue that can be raised by selling off this historic Public Housing Estate, with little consideration for the tenants who in some cases have roots going back generations and indeed families who have been paying rents for over 100yrs.

So now in my twilight years after 64yrs living in the only home I have ever known, I ask only one question and this I ask on behalf of my friends & neighbours as well.

If we were good enough to live, work and contribute to this community when it was a dirty, noisy and working class suburb, where no one wanted to live over the decades and is now facing gentrification, then why are we not good enough to live here now?

To those making the decisions on the future of my friends, neighbours and myself could you sit across the table and look us in the eye and tell us in the vernacular of the '**Aussie Fair Go**' the answer to the above question!

**The following Unions support your Submission.**

Maritime Union of Australia Sydney Branch

Fire Brigade Employees Union

Rita Mallia - President Construction Forestry Mining and Energy Union, Construction and General Division, New South Wales Branch

Electrical Trades Unions New South Wales Branch

In Solidarity,

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