

INQUIRY INTO REGIONAL PLANNING PROCESSES IN NSW

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Partially Confidential

Issue

Housing affordability crisis for NSW Police officers, paramedics, nurses and other essential government staff.

Evidence

*The median house price of Sydney is now \$1,000,616

*A first year registered nurse earns \$56,700 a year

*A first year police constable earns about \$60,000 a year

*A paramedic earns \$58,694 a year

Average rent (Per month)

1 bedroom apartment in City Centre \$2500

1 bedroom outside of Centre \$1800

2-3 bedroom apartment in City Centre \$4,814.56

2-3 bedroom apartment outside of Centre \$2,868.36

(House prices, ownership and affordability: trends in New South Wales Briefing Paper No 1/2014 by Andrew Haylen)

Case Study

I am a Police officer who has worked in the city for 10 years. I am currently engaged to a nurse also working in the city and we are expecting our first child. She is taking time off work to have the child and we have been considering purchasing our first home. Unfortunately we are unable to purchase a home unless we submit to a 3 hour daily commute. Relying on my income as a leading senior constable (The highest level of police constable) my borrowing power is only about \$56000. This will not even buy a one bedroom apartment for us and our child to live in. We have tried to save more money, but this is so difficult with the high prices of Sydney rent. My fiancée does not get maternity or benefits as she is a 'new Grad' nurse. She is also paying off her university debts and we are frustrated to say the least. With me having to pay rent (Which is far too expensive) we will struggle and I worry about our child's future.

This is only my story. The paramedics, police officers and nurses I know in the city are disgruntled and in the same situation as we are, if not worse. Many commute incredible distances (Central Coast, Newcastle etc) and work 12 to 16 hour shifts which is dangerous for their health and the community. I know of at least 2 police officers from my station who have fallen asleep at the wheel driving home to the central coast and have crashed their vehicles. I have also heard of paramedics falling asleep whilst driving ambulances on duty!

Recommendations

I don't expect you are able to fix housing affordability overnight. I do have a few recommendations based on my own experiences that may help.

- 1) Fix housing affordability by regulating property ownership. Put some laws in place to limit the amount of investment properties one can own (In China it is one), crack down on those laundering money through 'property investment'. Decrease foreign investment which is pushing up Sydney prices higher than average Australians can afford.
- 2) Offer some kind of incentive for nurses, cops etc to work/live in metro areas (Such as they do in the UK). It seems ridiculous to me that I can't even buy a 1 bedroom apartment, while I work harder, pay more and travel further than any cop who works in Batesmans Bay or Bega Valley. Alternatively subsidise our rent or housing.
- 3) Make rent more affordable by putting in caps on rent. Create long term leases. My landlord, has increased my rent 3 times in just 2 years and I cannot afford it.
- 4) Crack down on illegal subletting. I have been in every apartment building in the city and I have seen that every building has about 20 Chinese living in 3 bedroom apartments (I once saw 2 people living in a cupboard paying \$100 a week!). I believe people are prepared to pay insane prices of \$1,000,000 for an apartment when they know they can get 20 people to stay in the apartment and each pay \$200 each a week. By stopping this you remove the incentive to pay such extraordinary prices.

If you can't do any of this, I would just like to ask that you give police the 9% payrise they were promised because you've got some very disheartened police (Aside from the commissioner who got that extra \$100,000 a year). In my time as a Police officer I have saved lives and protected the community. I have almost been shot twice. I have been assaulted, spat on, confronted with knives and on one occasion a homeless male urinated on me! I think I deserve to be able to afford a home somewhere in Sydney so I can raise my child.

Thank you.

Adam Horrocks