



14 March 2024

Kiersten Fishburn
Secretary
NSW Department of Planning, Housing and Infrastructure (DPHI)
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Submitted online

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Dear Secretary,

The St Vincent de Paul Society NSW (the Society) appreciates the opportunity to comment on DPHI's discussion paper on short-and long-term rental accommodation. As a large provider of housing and homelessness services, we have a particular interest in ensuring that everyone in our community, particularly people on low incomes and experiencing disadvantage, have an affordable, safe, and healthy place to call home. Given our area of expertise, we confine our submission to the overarching considerations that should inform reform in this area.

The Society appreciates the NSW Government's desire to strike the right balance between increasing the supply of long-term rental homes and the economic value of short-term rental accommodation. Nonetheless, the Society believes the primary consideration for these reforms must be to better meet the essential housing needs of our community. With growing numbers of people in our society experiencing homelessness or housing stress, the interests of tourists or those who own and rent out their own properties must be secondary to providing shelter to people in housing need.

The lack of social and affordable housing is one of the most significant issues facing NSW in both metropolitan and regional areas, as highlighted in the recent NSW Productivity Commission Report.¹ The Society bears witness to the impact of our state's housing crisis daily. Almost half (46 per cent) of the people we assist are experiencing housing stress. In the last financial year, we assisted more than 9,000 people at risk of, or experiencing homelessness, a five per cent increase on the previous year. As more people find themselves in housing crisis, our services are supporting more people, and for longer periods of time. Concerningly, the Society is witnessing a substantial rise in the numbers of people seeking our help that we are unable to assist due to a lack of available accommodation.

The high cost of housing is forcing people on lower incomes – including key workers such as educators, nurses, carers and social workers – further from jobs, transport and other services. At its worst, people are being forced into homelessness, including working families. This comes at significant cost to the social fabric of our community and to the NSW economy due to lost economic output as employers struggle to attract staff due to a lack of locally affordable housing.²

The Society notes the potential introduction of a revenue measure as a disincentive to short-term rental and to generate program funding, such as for homelessness programs. The Society supports the introduction of revenue measures, on the condition that the revenue is used to complement program funding, rather than supplement the government's core funding for essential social services and programs. There is a significant sustainability risk

¹ NSW Productivity Commission (2024) *What we gain by building more homes in the right places*

<https://www.productivity.nsw.gov.au/sites/default/files/2024-02/What-we-gain-by-building-more-homes-in-the-right-places.pdf>

² Everybody's Home (2022) *HOUSING CRITICAL The role of housing in solving critical skill shortages across the regions*,

<https://everybodyshome.com.au/resources/housing-criticalthe-role-of-housing-in-solving-critical-skill-shortages-across-the-regions/>

for programs funded by hypothecated revenue, given the variability and unpredictability of the revenue source. Critical homelessness programs, which are already under-funded in the face of growing community need, must be fully funded by the government to mitigate any risk of underfunding due to a decline in short-term rental accommodation.

In welcoming the proposed reforms to short-term rental accommodation that generate more long-term rental accommodation and revenue generation for housing and homelessness programs, the Society urges the NSW Government to drive these reforms in parallel with large scale, sustained investment in social housing to restore the safety net for people in housing need, as outlined in our 2024-25 Pre-Budget Submission.

Thank you for the opportunity to provide comments on the discussion paper on short-and long-term rental accommodation. For questions about this submission, contact Solange Frost, Manager Policy and Advocacy, at solange.frost@vinnies.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Satya', is displayed on a light grey rectangular background.

Satya Tanwer
Executive Director
Strategy and Engagement