

NSW rental vacancies stuck in 'Groundhog Day'  
22 September 2010

As rental vacancy rates fell in most parts of Sydney in August, the state's leading real estate organisation says **NSW now faces an accommodation crisis for frontline workers.**

REINSW believes this will be a major NSW election issue in 2011.

The overall rental vacancy rate in Sydney fell 0.1% to 1.5% for August 2010 with falls recorded in the city's Inner and Middle suburbs.

Vacancy rates remained unchanged in Newcastle and rose in Wollongong over the last month.

“What we are seeing are only marginal changes in the rental vacancy rate month to month with no long term recovery in sight,” said REINSW President Wayne Stewart.

“It is clear that the trend points towards a continuing crisis in rental accommodation which is certain to start seriously affecting our frontline industries including teachers, fire, health, ambulance and police.

“Housing affordability and supply is front and centre as a key issue in the NSW state election, particularly given the fact that it was largely ignored by Julia Gillard and Tony Abbott at a federal level.

“We urgently need a comprehensive plan to avert an accommodation crisis for frontline workers and it is up to the Premier and Opposition Leader to deliver the plan.

“Vacancy rates dropped 0.3% to 1.3% in Sydney's Inner suburbs (0-10km from CBD) and fell 0.2% to 1.8% in Sydney's Middle Suburbs (10-25km from CBD).

“Our nurses, fire brigade officers, teachers, police and ambulance officers are just some of the frontline workers we rely upon yet the rental crisis is now so bad that we risk squeezing them out of our cities.

“REINSW is calling on both parties to develop a plan to boost ‘key worker’ accommodation particularly focused on additional supply in ‘Inner and Middle suburbs.

Rental vacancies remained unchanged in Newcastle at 1.7% and rose 0.6% to 2.0% in Wollongong.

Central Coast rental vacancies rose 0.1% to 2.2%.

“Unfortunately our frontline workers face a very tough future with the supply of available properties likely to continue to contract coupled with increasing rents. “It is this scenario which could see an exodus of frontline workers out of NSW.

**“Quite simply, the government needs to act urgently to help increase rental supply or else it faces the prospect of having to boost wages for frontline workers to meet rising rents,” said Mr Stewart.**

	<b>August 2010</b>	<b>July 2010</b>	<b>June 2010</b>	<b>May 2010</b>	<b>April 2010</b>	<b>March 2010</b>
<b>SYDNEY</b>	1.5	1.6	1.3	1.2	1.3	1.1
Inner (0-10km from CBD)	1.3	1.6	1.3	1.2	1.3	1.1
Middle (10-25km)	1.8	2.0	1.6	1.3	1.5	1.1
Outer (>25km)	1.4	1.3	1.1	1.2	1.2	1.0
<b>HUNTER</b>	1.8	1.7	2.0	1.6	1.8	1.4
Newcastle	1.7	1.7	2.1	1.6	1.9	1.5