

Media Release

Thursday 30 January 2020

First State Super addressing housing stress for Victoria's key workers

- *Nine out of every 10 hospital workers in Melbourne live more than 4 kilometres from their work and face an average commute time of 47 minutes, 32 per cent longer than the state average.*
- *As part of a \$200 million investment from First State Super to address the issue of key worker affordable housing in Australia, the Fund has announced the acquisition of 55 new units, just 6km from the CBD.*

First State Super, the leading super fund for healthcare professionals and associated service workers across Victoria, is addressing housing stress in Melbourne, announcing the acquisition of 55 new key worker affordable rental units, that are six kilometres from the CBD.

This brings the Fund's total commitment to affordable housing to nearly \$200 million in NSW and Victoria; believed to be the largest investment in key worker affordable housing by any institutional investor in Australia.

Victorian Minister for Housing, the Honourable Richard Wynne MP, joined First State Super CEO Deanne Stewart and several healthcare industry representatives for the first official tour of the Moonee Ponds development on 30 January.

Mr Wynne congratulated First State Super for its efforts to address the affordable housing pressure facing many key workers.

'No one likes a long commute to and from work and I can only imagine that it's even harder for our hospital staff and other care workers who work odd hours and long shifts.

'Projects like this which help workers in these key industries access safe, affordable housing closer to where they work, go a long way towards easing that burden and I hope these tenants enjoy their new homes and shorter commute.'

The rental properties will be available for key workers (healthcare, aged care, disability services, teachers, law enforcement, emergency services, childcare and associated industries) to rent at 80 per cent of the market rate for the area and boast short commutes to several leading Melbourne hospitals and schools.

The availability of affordable rental housing is a growing challenge for many in Melbourne, as demand steadily outstrips supply, with one negative outcome being that more and more people face long commutes between home and work.

Nine out of every 10 hospital workers in Melbourne live more than 4 kilometres from their work and face an average commute time of 47 minutes, 32 per cent longer than the state average. For health and social service workers in Melbourne, that commute time increases to 56 minutes, 38 per cent longer than the state average for their industry.

First State Super Chief Executive Officer, Deanne Stewart, said housing affordability posed unique challenges to the Fund's members, many of whom were subject to inconsistent shift work hours and struggled to find safe, secure and affordable housing in close proximity to their workplace.

'First State Super has for some time been investigating how we can be part of the solution to the housing affordability issues many of our members and other key workers who care for and protect our community, face in cities such as Sydney and Melbourne,' Ms Stewart said. 'We made our first pilot investment in key

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worker affordable rental housing in Epping in NSW in mid-2019. We now have four other similar investments in NSW and will shortly commence construction on our next project in Miranda NSW.

‘This is our first investment in key worker affordable housing in Victoria. We chose this development for its prime location - just six kilometres from the CBD and four kilometres from Parkville health precinct - and exceptional facilities. Through initiatives like this we hope to try to address some of the barriers our members and other key workers are facing to renting affordable housing near their work and families.’

Located in the leafy suburb of Moonee Ponds, the new apartments are in close proximity of major health facilities including Royal Melbourne Hospital, Royal Children’s Hospital, Peter MacCallum Cancer Centre and Royal Women’s Hospital; as well as 15 primary and secondary schools.

Ms Stewart said First State Super’s purpose was to not only deliver the best possible retirement outcomes for its members but, to be a true force for good in its community. With this investment, First State Super is able to do just that.

In addition to the new Moonee Ponds investment, First State Super has purchased 35 residential units located in Hurstville (15km from CBD), 17 residential units located in Waterloo (4km from CBD), 61 residential units in Epping (22km from CBD), and 35 residential units in Northmead (27km from CBD) across NSW.

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Note to Editors:

First State Super is one of Australia’s largest industry funds providing superannuation, advice and retirement solutions to those who teach, nurse, care, respond and help others in our communities.

We aim to deliver strong long-term returns and keep our fees low, so members can retire with more. We have a diverse range of investment options and we provide members with access to advice about their super and the investment options available to them.

The way we invest benefits members as well as the communities in which they live work and retire. With \$103bn in assets we often invest directly in assets that create jobs and benefit communities.

We believe in the value of advice and the difference it can make to our members retirement outcomes and are proud to offer members access to our over 220 qualified financial planners across a broad regional network. We also host over 300 free seminars across Australia each year - some in the workplace and others in community-based locations.

We have achieved the highest platinum performance rating from SuperRatings for the past decade. ChantWest, another independent rating agency has awarded us their highest 5-star rating.

We’re dedicated to helping our members to ‘Feel future ready’.