

TRANSCRIPT

LEGISLATIVE COUNCIL LEGAL AND SOCIAL ISSUES COMMITTEE

Inquiry into the Rental and Housing Affordability Crisis in Victoria

Melbourne – Tuesday 8 August 2023

MEMBERS

Trung Luu – Chair

Ryan Batchelor – Deputy Chair

Matthew Bach

Michael Galea

Joe McCracken

Rachel Payne

Aiv Puglielli

Lee Tarlamis

PARTICIPATING MEMBERS

Melina Bath

Moira Deeming

David Ettershank

Wendy Lovell

Sarah Mansfield

WITNESSES (*via videoconference*)

Mr Daniel McCormack,

Ms Jillian Warne,

Ms Shaye Topaz,

Ms Sarah Edwards, and

Mr Neal Taylor.

The CHAIR: I declare open the Legislative Council Legal and Social Issues Committee's public hearing for the Inquiry into the Rental and Housing Affordability Crisis in Victoria. This hearing is focused on rural and regional areas and is being held via Zoom. I remind members and witnesses to please mute their microphone when not speaking to minimise interference.

I would like to begin this hearing by respectfully acknowledging the original people, the traditional custodians of the various lands that we are gathered on today, and pay my respects to their ancestors, elders and families. I particularly welcome any elders and community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of this proceeding. I welcome members of the public watching via the live broadcast.

I would like to introduce our committee members. I am Trung Luu, the Chair, Member for Western Metro. Also, we have Mr Ryan Batchelor, Deputy Chair, Member for Southern Metropolitan; Ms Rachel Payne, Member for South-Eastern Metropolitan; Dr Matthew Bach, Member for North-Eastern Metropolitan; Mr Michael Galea, Member for South-Eastern Metropolitan; Mr Aiv Puglielli, Member for North-Eastern Metropolitan; Mr Joe McCracken, Member for Western Victoria; Mr Lee Tarlamis, Member for South-Eastern Metropolitan; and Dr Sarah Mansfield, Member for Western Victoria.

I would also like to welcome the five witnesses for this first session: Mr Daniel McCormack, Ms Jillian Warne, Ms Shaye Topaz, Ms Sarah Edwards and Mr Neal Taylor. Thank you very much for your time this morning.

Witnesses, please note: all evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and is further subject to existing provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same thing, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your name and any organisations you are appearing on behalf of. I now invite each panellist to introduce themselves and make a statement, but I ask you keep it to a maximum of 5 minutes to ensure that we have plenty of time for discussion afterwards.

Mr McCormack, could you please introduce yourself and proceed with your statement.

Daniel McCORMACK: Yes. Hi, my name is Daniel McCormack. I come here as an individual living in the Geelong area. I thank the members of the Legal and Social Issues Committee for allowing me the time to share my story and ideas to improve rental affordability in regional Victoria.

I began renting in 2016 in Bayswater in the outer-eastern suburbs of Melbourne. During this time I started a full-time job to afford the rent, as all young Australians do, but I had no success finding a place due to many other applicants with better financial positions or rental history. I went to dozens of properties over several weeks. When I determined that I could not rent through traditional means, I took to the online marketplace to find a bond transfer instead. There were six months left on the lease and the unit backed onto the train line, but the rent was just within my price range. And after not missing a due date, I continued living there for four years.

In October 2022 my fiancée and I decided to move Geelong to be closer to her family. During this time the market was hot with properties being listed. They would be put on the market first thing in the morning and be leased by lunchtime, tied up with students wanting accommodation for the universities in the area and people returning from overseas after COVID-19. After several weeks we made the decision to accept properties without inspecting them first and we would move in as is. We felt like this was a calculated risk as they were relatively new properties in the growing suburb of Armstrong Creek. This was a mistake. When we accepted the keys, the real estate agent told us that they completed a steam clean of the carpet; however, when we entered, the master bedroom smelled like wet dog and the garage smelled potently like cigarettes. The landlord, instead of remediating the property before listing, decided to go directly to leasing instead. It took several weeks to get someone to acid-wash and repaint the garage to remove the smell and until after the New Year to replace the carpet in the master bedroom. These may not sound like huge issues, but it is a reflection of the level of care some landlords have for tenants in a market where the investment is commodified. We have all heard of issues where landlords refuse to respond to reports of health-impacting mould or damage to integral utilities, and when they respond they say that they cannot afford to fix the issue.

There are even some renters in Geelong reportedly putting in applications to live in unfinished properties because they cannot find anywhere else or applying for everything but still being rejected over several months and living out of caravans. Geelong and the surrounding areas are currently in a situation where they are contending with 5.9 per cent of households in the region experiencing homelessness or living in overcrowded homes. 6.8 per cent of homes are considered affordable – the lowest ever recorded – with the median rental price at an average of \$415 per week. 125,000 additional people are forecast to move to Geelong by 2041, and 2213 builders collapsed nationally in the last financial year. This means that our current supply is already failing and unlikely to get better soon. We need real solutions now.

In the Barwon South West region there are 6362 listings for single-family homes and apartments on Airbnb. Of those 6362 listings, 3507 of them are owned by people who have 10 or more listed on Airbnb. That is 55 per cent of total listings, and the largest listing host has 620 properties listed on Airbnb.

I believe that investment properties should definitely still exist, but it should be reformed. In my view there are a few quick ways to bring more properties to be more affordable to renters. We should incentivise landlords to offer long-term, low-income housing with targeted capital gains tax concessions. Otherwise, we could also remove tax concessions like negative gearing and capital gains tax for property ownership over 10 properties; otherwise, we could cap the amount of investment properties an individual trust or company can own to 10, and the excess should be sold over 15 years to reduce drastic impacts to the housing market. This would allow first home buyers and new prospective investors to enter the market at affordable prices and therefore create a more competitive free market at a smaller quantity of properties. This would prevent investors insulating themselves from taking care of their properties more often.

There is an expectation that the government should not intervene in the housing market because it would end landlords renting in Victoria. I disagree with this mentality, and I want to end with this question: why is it a bad thing for low- and middle-income people to own their own home, rather than pay to live in someone else's? Rentals will still be needed, but in my view, treating homes as a commodity needs to end.

The CHAIR: Thank you, Mr McCormack. Thank you for that. Could the next panel witnesses please announce their full name, and your statement. I invite Ms Jillian Warne.

Jillian WARNE: Thank you, Trung. My name is Ms Jillian Warne, and I am appearing as an individual. I acknowledge that I am on Peek Whurrong country and pay my respects to the traditional stewards of the lands, oceans and waterways. My experience is common to many women in their 60s, particularly in outer-regional or rural areas, where secure, well-paid work is rare. It was difficult to purchase a home as a sole parent. Career opportunities are limited in rural areas. Women are paid less and have little superannuation. As a result of rising mortgage rates and the cost of trades and materials to undertake repairs, I was forced to sell my home. My children now have their own children, and they are on the verge of experiencing mortgage stress themselves.

I needed to find a house to rent. Despite contacting every real estate agent in the district and approaching home owners directly, I could not find anything in three months, despite being a desirable tenant: a mature person with no pets, able to care for a house and garden, able to pay rent and bond. I am currently house-sitting for a friend while they travel until October, paying rent and paying separately for storage. The home owners could

return at any time before October, rendering me effectively homeless. No properties have come up for rent; I am still searching, and now must consider moving out of the area.

There are a number of barriers to availability and affordability in Port Fairy, including the proportion of homes being used as short-term holiday rentals. There are also issues about the suitability of the few available homes – for example, they are situated on the Princes Highway with 24-hour truck movements, have no heating in the middle of winter or charge exorbitantly high rent. The housing market in Port Fairy is very strong and expensive – a beachside property recently sold for \$7.2 million. The vacancy rates are very low for permanent rentals, with high demand for housing for workers across health, tourism and hospitality, and trade and engineering – for example, for wind farm developments. The spike in property prices impacts on older long-term residents, who are facing municipal rate bills of many thousands of dollars each year on a pension or limited retirement funds and are being forced to consider selling their homes. The cost to the community of the expansion of short-term holiday accommodation and the rise in property values needs to be considered. Long-term community members, elders, volunteers and those who have contributed to and continue to build the social fabric of the community are being forced out by rising rents, rates and/or maintenance costs. A significant proportion of the town of Port Fairy and surrounding settlements remains unoccupied for most of the year. Older long-term renters are being told to leave when a property owner dies – this is often someone they knew personally – and the family want to sell the property and divide up the inheritance.

Some solutions have been suggested in my submission to the committee; however, for this session my focus is on community and social housing. Public and Crown land is available. There are numerous businesses specialising in modular, energy-efficient, sustainable and affordable housing which can be constructed in short time frames. These businesses could combine with architects and designers to work with and adapt modular homes to meet the needs of homeless people and those facing housing insecurity – simultaneously creating employment and training opportunities, including for apprentices and TAFE students. The underlying premise must be that these homes are made available on a rent-to-buy basis so that a proportion of rent is banked towards a person's future security, to break the intergenerational poverty trap and to enable young people to build a stake in their future.

Housing must also be affordable to live in – that is, with energy coming from solar or wind power or geothermal heating. There must be capacity for improved food security – growing some fruit and vegetables – private indoor and outdoor spaces, places for children to play, places for older people to engage with their community, available and affordable high-speed internet access and transport options, which may include shared vehicles as well as access to public transport. For rural people the urban notion of population density does not work when you live 4 hours away from Melbourne but are still staring at your neighbour's bathroom window and living in a dogbox. People need to be able to work, study or create at home, and older people need to have the space to be able to have a friend come and stay or care for their children or grandchildren – sometimes with disability – access to a shed to tinker in and access to storage. I have got five generations of stuff – my grandmother's, my mother's, my own, my children's and my grandchildren's.

In summary, it is possible, but do not assume you know what people need or that an architect or a bureaucrat understands. Government needs to work with the private, community and philanthropic sectors and with the people impacted to get this happening now. This is no longer about the fading of the great Australian dream of home ownership, this is genuinely a crisis. There are tens of thousands of people who are homeless. Young people will move out of Australia to somewhere where their tasks and skills and their work mean that they can afford a home and a decent standard of living, and older people are going to have to go into aged care sooner because there are no options for independent living in their community.

The CHAIR: Thank you, Jillian. Thank you. I would like to invite the next witness to introduce themselves and please make a statement. Ms Shaye Topaz.

Shaye TOPAZ: Good morning, everybody. My name is Shaye. I am from the Lakes Entrance area in Victoria, I am a mum of three and I am a small business owner. My family and I recently had to find a new home when our landlord decided to reoccupy the home that we were living in. We had lived there for six years and were paying at the time \$260 a week. As all things do, this relocation came with really bad timing. I was around five months pregnant with our youngest, and we had just received primary custody of my stepdaughter. We were luckier than others, given that we were given three months to find somewhere new. This was pretty generous, considering this was much more than what they had to give, as we were told.

A week before our notice of eviction was received we had just enrolled our then six-year-old into our local primary school. We live in a region where there are other primary schools, but she had just transferred over from Tasmania and we did not want to have to move her again and unsettle her life, so we were constricted to a smaller area. We started looking immediately. There were very few homes available for rent in our area, let alone within our price range. We have one main income earner – my partner is working full-time, and I am at home with the kids – and the main reason that I have a small business is to try and provide that little bit of extra money to pay for some small bills and for food, things like that. So we allocated around \$360 per week to the rent that we needed to be able to cover. We briefly considered buying, but we laughed at the prices of housing and moved on swiftly from that idea.

We began seeing properties. Many people – many, many people – were showing up at these viewings. So we had between five and probably 20 people per viewing coming to see these houses, competing with each other, which is not a nice feeling in a small community. We all know each other. We all want each other to be happy and healthy and well and to have housing over our heads, but here we were competing with these people in the same situation as us, looking for somewhere to live for their families, somewhere safe to be. Some of these houses that we went and had a look at were truly unkempt. Like, we saw one house which for whatever reason had sawn-off metal poles in the backyard sticking up from the ground. You cannot move to a place like that with children. It is so dangerous. And it was like a norm; it was not even mentioned. It was just, ‘Here’s the poles. Good luck to your children.’ It was really bad.

The months kept going by. I am getting bigger and bigger, pregnant, starting to freak out about: ‘Where are we going to live? Where am I going to birth this baby? How are we going to settle as a family?’ We ended up having to kind of talk to my in-laws about potentially moving in with them with – we would have three kids at that point. We did a huge letter drop around the Lake Tyers Beach region, hundreds and hundreds of letters basically begging for somewhere to live. We did get two call-backs, which was really kind, from the local people. It was heartbreaking and it was angering to go for a walk within our local community, where we live and put money into, and we were just walking past houses that were sitting empty, cold, alone. They are obviously Airbnbs being used for tourism seasons just to make that quick bit of money over those few months in those kind of hotspot areas. But we had nowhere to live, so that was really frustrating to see.

It is a bit embarrassing, but I fell for a ridiculous scam on the internet because I was getting absolutely desperate. We needed somewhere to live. Someone was writing about having a house available over Facebook – did we want to come and see it? We just needed to have the money. So I sent \$1700 to a stranger, who told me they would give me the keys, who sent me through a real estate like document, a form that looked so legit – everything about it looked completely spot-on. And it was not spot-on, obviously, in reflection. So that is the kind of desperation that people are under at the moment. Like, we are looking for anywhere to live. Anyway.

Thankfully and finally, we were accepted into a rental property. It is \$350 per week. It is a little bit hazardous. It has got a huge ladder. We have tried to contact – sorry, not a ladder, a big staircase that looks like a ladder – trying to get this kind of rectified for our children, but nothing is happening. If we were not so desperate, we would not have accepted this property, but we really needed somewhere to live. Finding a space was emotionally and physically exhausting. We are thankful for somewhere to live, somewhere to provide safety and security for our children, and we feel for other families in our area that have not been so fortunate. Thank you.

The CHAIR: Thank you, Shaye. Thank you for that. I would like to invite the next panellist, Ms Sarah Edwards.

Sarah EDWARDS: Thank you very much. My name is Sarah Edwards. I use they/her pronouns. I am coming from you on land that traditionally belongs to the Bunurong people of the Kulin nation out in Gippsland.

I am a working professional with a disability, and I have been a renter for 10 years now. In those last 10 years I have always had the drive and intent to eventually own my own home. It was always priority number one. Every dollar I saved was to go towards that. But over time traumas with family and partners have fuelled that desire even further to have a sense of control, a sense of safety, a sense of agency, which has been stripped from me over those 10 years of renting. I am sorry, I had to refer to some notes. So as renting has become, like,

progressively more expensive, my ability to save for a deposit has been gravely harmed. If no change occurs here, I will never be able to afford a home and most people like me would not be able to either.

If I am basing my future on these last 10 years of renting, I am going to be moving house 20 more times before I retire. That is 20 more times that I will have to hire removalists, hire cleaners, replace furniture and put up and take down photos and the art that I love. There are so many costs to relocating, just as a start. That harms my savings so much. I almost have no money left now after my last move. In those 10 years I have had full-time work the whole time – side hustles, career progress, savings plans, extra jobs. I have made sacrifices. I have only travelled once in those 10 years. And every few years I reach out to lenders, I get financial advice, I get some information about my borrowing power, and that is outpaced by the house prices as they continue to go up.

I am currently on multiple leases to help my mother get a rental away from an abusive marriage as well. She only works in retail. She could never get approved for a rental by herself, even though she has a reliable job with reliable income and just great rental history all around. In the context of making sacrifices, I want to move further away to rent a more affordable home per the advice that is given to me without asking, but as I go further out, the price does not change. The amount of properties that I can afford out in regional Gippsland, Victoria, is so small, and there is so much competition for those from all the other people doing it rough in the regional areas as well. I believe that housing facilitators – public, private, community – they all need to be held more accountable. The laws are there, and we have some really good rules around rentals, but there is just no accountability. There is no way to report these people who are not following the rules as well.

I would like to share some of the horrible experiences I have had renting in these last 10 years as well. There was a house where they tried to take my entire bond after leaving over some wear and tear stains on the carpet. I had already moved house twice again by the time I got that bond back. They applied to VCAT. I had to wait two years-ish for that hearing to happen, and when I finally got the hearing, they did not even show up, the claimants. I think we can have a much better situation with accountability and rentals if we perhaps make a body that is separate from VCAT for resolving rental issues specifically and independently.

I am in the queue for another VCAT case as well, and I have been for the last five years. That is a compensation case regarding a property that I lived at for four years where they did not do any of the repairs that were promised from the day that I moved in – all of the things that were broken when I moved in. They led me on. They kept responding saying that they were going to fix it and then it never happened. It is just a bit ridiculous. The house was in such terrible disrepair. I could not use one of the showers. I could not use the dishwasher or the washing machine. During summer the air conditioner was broken – so many issues – and I was there for four or five years. It went through about five different property managers, each one just as bad as the last. They do not respond to emails. They do not take accountability for, you know, things that they do that let you down, such as leading you on with repair requests. It is just a dehumanising experience all around, and I really, really wish that there could be some better form of accountability. If they can have their unofficial blacklists as well as their official blacklists, I think maybe we should have some more power over them as well to fix that power imbalance.

One thing I would most especially love to see from this inquiry is perhaps a direct pathway to home ownership for renters who have been renting for quite a while with respect to the years that they have shaved off other people's mortgages. At this stage most of us cannot afford a deposit at all, not even the 5 per cent that we can do with the shared equity scheme – it is still too much. I think the shared equity scheme is a really great idea, but I probably would have only been able to access that a few years ago, before it existed, when I had more money. I think a lot of us now do not have any money left thanks to rising rents. I would really, really love to see pathways to home ownership for a lot of us, because a lot of us do not want to be renters. I think some people are making these assumptions that we want to do this. We keep getting told that if investors take some of their properties off the market, it will cause a supply issue, but that is not the case – I think those homes would go to people who want to buy them.

The CHAIR: Thank you, Sarah.

Sarah EDWARDS: That is the best way I can summarise it. Thank you for listening.

The CHAIR: Thank you very much for that information, Sarah. Now I would like to invite the next witness, Mr Neal Taylor.

Neal TAYLOR: Thank you, Chairman, and thank you to the committee for allowing me to speak this morning. As you have mentioned, my name is Neal Taylor. I am coming to you from the Yarra Ranges. I am going to come with two hats on: personally, and also from a group for which I am a community worker and the CEO called Holy Fools, which works with homeless people.

First, personally, I have rented for about 20 years now. I could talk about numerous stories, and I am hearing similar stories from a lot of the other speakers this morning, of experiences that I have had, not necessarily here in the Yarra Ranges. We found the property that we are in at the moment in late 2018, just before the pandemic hit, and at that stage we were still competing with a number of people to find properties. It is interesting that at that stage you might have had only 10 people but for similar properties now, besides the increased rental costs, you have maybe 20, 30 people turn up for house inspections. As someone else mentioned, often properties are listed in the morning and rented by lunchtime, pretty much. We have experienced price gouging with rental costs, where someone has come in and offered above the rental cost and things like that. We ourselves have been asked to pay six months' rent up-front to be able to stay in a property. I find that just ludicrous – trying to come up with that amount of money in a short period of time.

Working with people who are experiencing homelessness or at risk of homelessness, one of the issues that we are seeing is that the cost of housing is just skyrocketing. There are rental properties available, but they are beyond most people. A lot of the properties that are available are not suitable for anyone who is on any sort of benefits or unemployment or anything like that. It is just ridiculous. Some of the one- or two-bedroom houses may be slightly available, but still it is really tough for a lot of people.

We are seeing a lot of properties leave the rental market. We have landlords now selling properties here in the Yarra Ranges because we have got what they call the green wedge, which is to protect some of the bush and stuff like that. Some of the requirements now for rental properties include having water tanks on the property and other requirements, and some of the landlords are not wanting to do that and are finding the costs too prohibitive and are actually selling their properties. At a recent event that I was at, which was talking about homelessness and stuff like that, we had a real estate agent say that in the last week she knew of 200 homes that have been sold in the Yarra Ranges over that period of time which had been rental properties and things like that. We are losing houses from that point of view.

Someone else mentioned Airbnbs. We have over 900 Airbnbs in the Yarra Ranges, and a lot of those used to be long-term rental properties. You know, I do not begrudge anyone wanting to make a buck and sure, that is fine, but we have got areas like Warburton and Healesville, which are beautiful areas but with huge gluts of short-term rental properties. And as someone mentioned, a lot of those sit empty for the whole week and then they may be filled for a Saturday or Sunday. It is just ridiculous. I know of someone who went to about 200-plus inspections to look for a property. A lot of places say you cannot go and rent a place unless you inspect it, so 200-plus houses to try and find somewhere for his family. He could not find anywhere that was affordable and has had to go and take up the offer to go and stay in someone's holiday home down in Frankston, while the schooling and all the work and that is taking place up here, so there is a huge commute every day for the whole family.

We are also seeing that there are a lot of people who are afraid to even ask for repairs or any maintenance done on their properties because if they ask, the landlord is likely to say, you know, 'That cost is too prohibitive. I'm not going to do that. If you're not happy, move out of the way.' We are seeing lots of people who are living in, I guess, substandard properties and are just having to deal with the fact that there are disrepairs and things like that. The same person that I was talking about with 200 applications, one of the properties they moved into had lots of property damage that they were told before they moved into would be worked on. When they got in there the landlord did not want to do anything about that because he was going to sell the property. Within six months of them moving in they had to move again because he sold the property, and he did not do any of those works.

I guess you are hearing a lot of people say landlords have sort of got the upper hand here in a lot of ways, and like I said, I do not begrudge people owning properties. In fact the landlord we have got at the moment is a fantastic fellow. But there has got to be a bit more accountability for some of these landlords in the way they do

things. A lot of them have got certain restrictions and ways to do things with the real estate agents about periods of time for evictions and things like that. That needs to be, I guess, policed a little bit more, and I just wonder whether having the real estate agent actually dealing with both the tenant and the landlord is such a good idea and whether there needs to be some sort of separate entity that deals with the tenants and deals with the landlords in a different way.

It just seems that we are in a massive crisis and it is getting worse and worse and worse. I think in the Yarra Ranges last we looked at there were maybe about four affordable houses, and all of those were single-bedroom units and basically in substandard properties as well, so things are getting bad here.

The CHAIR: Thank you, Neal. Thanks for your submission. I now would like to invite members to ask their questions. Each member of the committee has 6 minutes to ask you questions, and I would like to invite the Deputy Chair now, Mr Ryan Batchelor, to start off the questioning.

Ryan BATCHELOR: Thanks, Chair, and thanks to all the panellists for your evidence. It is very difficult, I think, for many of you to share these stories with us because it is obviously very confronting being in this rental market. We appreciate the time you have taken to come and give evidence before the hearing. There are so many things I want to ask because there is so much we have got to cover, and I have got 5½ minutes now, so I am probably just going to pick a couple and figure out how you want to jump in.

I want to start with landlords and landlord behaviour. The government has introduced a number of changes in the last few years to kind of strengthen rental protections, consumer rights for renters, and put in place new rules to give more support to renters. What we are hearing, though, I think a little bit from you is that enforcement mechanisms on that are not particularly strong enough. There are a couple of areas I am interested in exploring. One of them is the length of leases. We have obviously extended the maximum length of the lease period to a maximum now of five years up from where it was, and to my mind with renting the market dynamics are one of the drivers of a lot of the problems here – short-termism, people having to move a lot of the time. Increasing the length of leases is designed to improve security. How many of you have actually had a lease offered to you that is more than six or 12 months? Anyone? No. Has anyone requested one – like a longer lease – and what has been the response? I would like to hear what landlords have said to you when you have asked.

Daniel McCORMACK: Yes. I asked for a two-year lease on the property where I stayed at for four years, which was the longest period of time that I have got to stay at a property, and they pretty much said no. No reason why. And to be fair, it was back in 2018 when we requested it, just because I was a good tenant. I always paid my rent on time and always gave them a heads-up and did not bother them too much except to let them know that the toilet seat is wiggling too much or whatever. That is the most I ever asked of them for anything. It was, like, ‘Well, I really like this property. I’d like to stay in it for longer. It’s backing onto a train line so I cannot imagine so many people would be interested in this property.’ And they were just like, ‘No. You can have a year. That’s it.’

Ryan BATCHELOR: Anyone else had a request denied?

Sarah EDWARDS: Yes, I have as well. It is a question I ask whenever I sign on to a new rental, looking for either a two- or three-, four-, five-year lease. I try and aim for the five. But, yes, we constantly get knocked back with those requests, citing that, ‘Oh, the landlord wants to sort of see what it’s like or see how you guys are.’ There was one house in particular that I was viewing in an inspection where the agent explicitly said it was a six-month lease because the landlord wanted to make a judgement on whether or not they liked the tenants before offering them long-term accommodation.

Ryan BATCHELOR: It is like a probation reason. In a job –

Sarah EDWARDS: Kind of like a job when you get your probation period, yes. That was an incredibly competitive application as well. We did not get that one. It is really unfortunate that it is such a big risk to have to move again to essentially prove your worth or prove you deserve this rental and that you are not a bad person.

Ryan BATCHELOR: Yes.

Sarah EDWARDS: Yes, it was a terrible experience.

Ryan BATCHELOR: Shaye?

Shaye TOPAZ: We prefer a longer lease too obviously – it is hard to move. We asked if we could stay longer and they told us that it is a 12-month lease with the opportunity to extend. Obviously, the same thing – they want to check out how you are going. It makes it really nerve-racking to ask for changes to the property. If there is some mould in the bathroom, I do not want to rock the boat because I do not want to have to get kicked out of this house. That really prohibits us from making changes to our living circumstances when we do not want to have to find a new house just because there is a bit of mould in the bathroom.

Ryan BATCHELOR: Yes, great. On the repairs front – that is probably the other bit that I am next interested in. You all I think mentioned that you asked landlords for repairs and they did not happen. How long did it usually take to get a response? How much time did you give them between your follow-ups? I am trying to figure out how we can put some requirements on them. And did anyone do it themselves and then try and get money back?

Shaye TOPAZ: That is our plan. We have not had a response. We have heard from our owner's brother, who turned up at our house, that he is in the hospital, and I am presuming that that is why. But it does not make it any easier for us.

Ryan BATCHELOR: No.

Shaye TOPAZ: Yes. So we have not had a response, and my next move will be doing the silicon and blah blah blah myself.

Ryan BATCHELOR: Yes. Anyone else? Sarah?

Sarah EDWARDS: I have also experienced the same. I have paid for a repair after monthly check-ins for an update with absolutely zero response on most of those occasions. I took it upon myself to get it sorted because it was a plumbing issue I thought was quite important. They refused to pay me back for that. They did not compensate me for that.

Ryan BATCHELOR: They did not pay you back for the repairs?

Sarah EDWARDS: Not until I submitted to VCAT. Then they were willing to compensate me for that and I had to withdraw my case.

Ryan BATCHELOR: Did it cost you to submit to VCAT?

Sarah EDWARDS: Yes, it did.

Ryan BATCHELOR: I think my time is up, Chair.

Sarah EDWARDS: There is a small application fee.

Ryan BATCHELOR: Thanks very much. If I could keep asking you questions for the next 3 or 4 hours, I would.

The CHAIR: Thank you, Mr Batchelor. I would just like to invite the next committee member, Ms Rachel Payne.

Rachel PAYNE: Hello, everybody, and thank you so much for your contributions. I just did the calculations, and I have been renting for 25 years. So much of what you have talked about has been the experience of so many who are tenants. Interestingly I also reflected on Ryan's point; I did not know that there was an option for a five-year lease. So that is a really fascinating point because, as you all confirmed, I do not think anyone I know has been offered anything more than a 12-month lease where you have to constantly renegotiate that lease, and there is just no security there.

I guess I wanted to talk a little bit about your experiences with the actual agents and real estate agents generally, because we always hear the agents saying, 'The landlord said this. The landlord said that.' We have to take that

at face value, as they are the acting agents for that landlord, and I am probably mindful of the fact that they do receive a commission based on their work. I want to talk a little bit about competition with other applicants. Some of you did mention that you have turned up to inspections or even tried to apply for a house before inspecting that place. Have you had experiences where the agent has predominantly used that as an opportunity to pit you against other applicants? Has there been any conversation about offering more money for a tenancy? I just wanted to hear a little bit about your experiences there, if you may.

Daniel McCORMACK: Well, in my experience I avoided any kinds of conversations like that. At one point I did offer more for rents just to be more competitive and be like, 'Hey, I'm willing to offer another \$5 a week or something,' to get into a property, and nobody really was interested. Whenever that topic was brought up, I kind of took it as a red flag and I was like, 'I don't want to be around you at all.' So I cannot really comment too much on it, but I can definitely say that the competitiveness is a huge factor in trying to find safe living, like just being able to ensure that we have somewhere to live.

Rachel PAYNE: Thank you.

Neal TAYLOR: Personally, we would use one of the – I can not remember the website or the app that it used to be, where you could fill your details out for the property. You would go for an inspection, there would be huge queues of people looking through the property and you literally, if it was something you were interested in, would walk out and basically send that application in straightaway. More than likely you would not hear anything back. One thing that used to really bug me was that you would never hear of any rejections, and if you did ring back and say, 'What happened?' they would just say, 'You didn't get it.' We lost properties, we would apply for properties and I also did hear about properties where, you know, someone would say, 'Oh yeah, if you paid \$50 more rent a week, we'd maybe consider it. The landlord is offering this deal.' And as I mentioned, we had to pay six months rent up-front at one point to be able to stay in a property. So yes, it does happen.

Shaye TOPAZ: We tried going privately. We did a big letter drop. We knew of some people's names that were considering Airbnbs, and to try and help our situation we offered them, 'Can we pay you three months in advance rent if that would help your financial situation to choose a rental over an Airbnb?' which was sadly declined.

Rachel PAYNE: I am sorry to hear that, Shaye.

Neal TAYLOR: I would add too most real estate agents that I have dealt with have been pretty good. We have had a few rogue rental officers in there who would come in and act like you were living in a slum, basically, and criticise you for the way you are living, but then we have had other people who have been really good. And as far as maintenance goes, as we have just talked about before, that is a huge issue. You might wait and not hear anything. The real estate agents prefer you to use their plumbers or their thing, so you might put an application in. If it gets worse and you do not hear anything, you can push it, but you have got to wait for them to send their plumber or their electrician to deal with it.

Rachel PAYNE: Yes, and I think many of you spoke about that accountability from both agent and landlord, particularly around safety – safety within your home, safety for your children, safety for you to live in a mould-free environment. These are basic requirements, I would think, of living. You are a consumer of their product, essentially, so if it was anything else there would be some sort of better regulation around that. Do you feel as though that option for trying to negotiate that with your real estate agent – if that does not work, then going to VCAT, which is a long, lengthy process – do you think if there was the opportunity for you to have maybe more of an advocacy space that would represent your needs, that that would be something that you would access?

Daniel McCORMACK: Yes. When it came to moving out of my last property, they were trying to make a claim on my bond, so I had to put a claim through VCAT. It is a free situation when it comes to putting a claim in for bonds, but you need to be very specific about what laws you are claiming, which is completely above my head. You would need a solicitor to be able to actually explain what parts of the law you are going to be claiming for. It was very scary trying to put in a claim with VCAT because if you did not put in the right one then they could just say, 'Well, sorry, you didn't put in the right claim, so bye.' In the end we did just end up giving up the bond because we were just like, 'This is not worth the fight.'

Rachel PAYNE: And how long was that process, Daniel?

Daniel McCORMACK: In terms of between when we put in the application and when we gave up the VCAT application it was about a month, just because by that point we were able to move in with my partner's parents and we just decided that it was not worth the fight. There were enough stresses to begin with anyway; why bother wasting stress on money?

The CHAIR: Thank you. Sorry to cut you short there. Thank you, Ms Payne. I would just like to invite the next committee member, Dr Bach.

Matthew BACH: Thanks, Chair, and thank you so much to all of you for coming to be with us today. Please know that the Parliament sees that this committee and our work on this inquiry are so important, and hearing from you is a critical element of that. I was interested by a common element of your testimony, which was in particular around home ownership. I think, Sarah, it was you who said, 'We don't want to be renting. We'd rather have pathways to ownership.' I was taking some notes as you were speaking. In particular, Jillian and Daniel, you both spoke about this as well. Daniel, you posed the question, 'Why is it a bad thing for low- and middle-income people to own their own home?' And I think in my mind the answer is of course it is not, so I am fascinated to hear from you about some ideas that you have about what we could do through the Parliament, through legislation potentially, to try to make it easier for people to own their own homes. I am sure all of you have thoughts upon that question, but Jillian, do you mind if I start with you, because you spoke about the availability of land in your area. You spoke about young people having a stake in their future and potential programs. Would you mind fleshing out for us what good programs or good legislative change could look like to allow more people – as Daniel said, potentially people on lower and middle incomes – to get into the housing market in the first place, which I understand at the moment is just so, so hard?

Jillian WARNE: Sure. Look, it is not just in my area. There is Crown land, public land, everywhere, and as I am suggesting, we could really leapfrog here and provide affordable, energy-efficient housing for people who most need it. That could be with a joint program with government, the philanthropic sector and the private sector to do factory-built modular homes and put them onto Crown land, public land, like, tomorrow. You could have thousands of homes go up – affordable homes – and they would be on a rent-to-buy basis. There would be a proportion of that that would go to be banked so that would then be the person's stake in their future. They would then own that home at some stage, or might be able to, if they need to for work or other reasons, transfer that amount that they have banked to another community housing or public housing property. At the moment the private sector housing market is simply not working. It is not working, and there is no way that people can come up with enough money to service a million-dollar mortgage. The average mortgage now is a million dollars; the average house is a million dollars. I mean, we have got to look at how people who are on a modest income can afford a home. And that is going to mean some real change. We really have to think outside the box here, and I think it is quite possible. The companies now that I see who are into modular housing, it is very affordable, and it is very affordable to live in, as well, which is the point. And we can design housing for the needs of Shaye and her family, or for people with disability. It is just the will, it is the political will, and it is about saying, 'Look, we can do this. We just have to decide that we going to do it and we are going to put our money into it.'

Matthew BACH: Jillian, just quickly – if I have still got time, Chair – I find myself liking all sorts of small modular things; I confess, I do not know much about modular homes. In your knowledge, Jillian, and I would open this up to other panellists as well, are these sorts of homes that you are talking about comfortable? Is there appropriate –

Jillian WARNE: Absolutely. Absolutely, they are cutting edge. In Sweden, like 80 per cent of the housing is government owned, for example. We are so far behind the eight ball here. There are some fantastic companies, all throughout Australia – and there are some that are just local, in Portland – that are building sustainable, modular housing. So it is up on site within six weeks. You can have a three-bedroom house, on site, in six weeks.

Neal TAYLOR: I saw a video just the other day of a Chinese company that can manufacture a multistorey apartment complex within a day, using modular systems like that. What needs to change are the planning systems, though, because planning is holding a lot of that stuff back.

Jillian WARNE: Yes, so that is a combination of local, state and Commonwealth government, really. And as I said, we have to get the private sector on board here – and the philanthropic sector. There are philanthropists that would happily, happily support home ownership for low- and middle-income people – happily.

Matthew BACH: All right. I know my time has expired, but thank you all very much. It is fascinating. Thank you.

The CHAIR: Thank you, Dr Bach. Thank you for that. I would like to invite Michael – Mr Galea. Please.

Michael GALEA: Thank you, Chair, and thank you, panellists, as well. I know everyone has said it, but we really do appreciate your insights and what you have told us today. It has been genuinely quite interesting, and particularly interesting, as well, have been the common themes. There is a bit I want to get through as well, but I would actually like to pick up from where Matt left off, and that is with the modular housing. Neal, you just mentioned planning as well. I understand that one council, Mount Alexander, has recently brought in changes to relax zoning for larger properties to be able to build a granny flat or a modular house, or whether it is a tiny home or something else. I have seen a lot of demand from multigenerational families wanting to live close by or having somewhere to stay, but also for, more broadly speaking, private tenants. I know we are talking about another part of the state, and that is not Yarra Ranges or East Gippsland or Moyne, but for the three of you who mentioned that in particular – I know Jillian as well – would that be something that you think would make a big difference if it were implemented in your local areas?

Neal TAYLOR: Oh, definitely. In fact that is something that we have been pushing for, you know, that I have been pushing for – that the state needs to change its planning laws to allow that. I know there were just three local government areas in Melbourne that trialled that recently with much success. So I think it needs to be implemented statewide – that that is available. I know in our area there are a lot of properties that are illegally renting properties to non-relatives in these places. So it needs to change, and I think if it was to happen, there would be a lot more properties opened up.

Michael GALEA: And if they are illegally renting as well, I am assuming all the other issues that we have identified already today, in terms of compliance and enforcement, they are going to be much, much worse.

Neal TAYLOR: Yes.

Michael GALEA: Jillian, would you have a similar perspective, from where you are in Port Fairy?

Jillian WARNE: Oh, sure. Look, Moyne is not known for its great stuff in planning, but anyway we really need to start. We are so regimented, and we have got ourselves into a real box here. This is the problem – we have got blinkers on, and we are looking at, ‘This is what is’, and, ‘How can we tinker around the edges with what is?’, and we are facing a crisis. We really need to start to think much more broadly, and this is the opportunity. We have got this great opportunity here to really come up with very brilliant housing, to leapfrog people who are living in dog boxes, in substandard housing, into state-of-the-art.

Michael GALEA: Thank you. Another recurring theme for a number of your submissions and presentations today has been short-stay accommodation, and we have seen, obviously, an explosion in the numbers of that. I know about it locally, more towards where I am on the peninsula, and Gippsland as well, but I am just wondering about your perspectives of what you have seen, especially those of you who have been in your areas a long time. How have you seen that change come about, and how prevalent is it now? As a rough indication, how many properties are available for rent as opposed to being posted for short-stay, and where is that balance sitting at the moment?

Daniel McCORMACK: In terms of the area of the Barwon coast and Geelong, there is actually a website called Inside Airbnb, which is where I got a lot of the information that I found when it comes to Airbnb, and most if not all streets in Torquay, in Queenscliff, in Ocean Grove and in Barwon Heads have got Airbnbs throughout. These are all vacant properties. There will be weekends where they are full and maybe a couple of weeks where they are full, and otherwise they are left empty. That is over 6000 properties across the entire Barwon Heads area that are just absolutely open, especially considering that there are over 3500 of them that are owned by companies or individuals that have 10 or more listings on the website. By them having to give up a couple of them to long-term rentals or sell them on so that way someone can live in them otherwise is not

going to have a detrimental impact on them, while at the same time being a huge and fundamental change for the people who need it. Yes.

Michael GALEA: Thank you. My next follow-up question sort of goes to that as well. Rather than us coming and saying, 'Well, this is what we need to do to fix it,' it is a very tall order question to ask you all. You gave an example there – a 10-property example. I am not sure who but someone in their submission also made a comment about, 'I can't live in a commercial property.' But a lot of these residences are basically commercial properties. It is a tall question, but from your experiences: how do we square that circle? How do we readjust so that there is a sufficient supply of genuine long-term rental housing available?

Daniel McCORMACK: If I can just follow up my answer really quickly, my response to resolving these issues might technically come a little bit above state law but it does definitely abide by something that the state can advocate for and that is a change in terms of capital gains tax concessions. There are people who have, as I was saying, more than 10 properties. They do not need that amount of tax concession; they will have their income. There is mum and dad who might have one to be able to negative gear so that way it helps them on the tax concern. I am not here to say that they should change. But the people who have businesses and are running businesses on these properties can have to give up some of their capital gains tax concessions for more than 10 properties or they can be incentivised through these concessions to offer low-income long-term housing. By no means am I saying that this is a solution. This is a bandaid fix while we are still trying to figure out supply issues, as Jillian is bringing up in terms of really good ideas for bringing in ploppable housing and building more houses as we are currently in a huge deficit for what we are expecting the population to boom at. I definitely think that in terms of at least a short-term solution we will be able to look at capital gains tax concessions and negative gearing, which I know is a political hot button from the 2019 election. But something like that to incentivise private businesses and private ownership to consider will definitely make a difference.

Michael GALEA: Thank you.

The CHAIR: Thank you, Michael.

Michael GALEA: Thank you, Chair.

The CHAIR: I would like to invite now Aiv. Mr Puglielli, please ask your questions.

Aiv PUGLIELLI: Thank you, Chair. Aiv here, zooming in from Wurundjeri land. Firstly, as others have said, thank you for coming in and sharing what I am sure must be quite at times painful and difficult experiences that you have had or people that you know have had. A lot of it has resonated with me as a renter from my personal inspection experiences. Things are really dire out there. It is not something that I am here to apologise for, but apologies to you all that this is the crisis that we are in and we are at this point. So now what we do? With the time that I have I just have a few questions. I might go to Sarah first. You spoke about your experience going from property to property over the years. Could you tell me a bit more about your actual rent that you are paying – has that increased over the course of those successive rentals?

Sarah EDWARDS: Absolutely, yes. I did run out of time to bring up that comparison. My first rental, about 10 years ago, was \$285 a week. It was a newly built granny flat subdivision kind of deal. It had two bedrooms and two bathrooms. It had a water tank for recycled water, central heating, central cooling, all the bells and whistles – \$285 a week. Then a few years later I was looking for a similar, maybe slightly bigger house – \$345 a week. The next one after that, which is about four years ago now, was \$385 a week. We are up to \$100 more per week from where I started, and it is the same area and the same sorts of houses. And then the worst happened: I was sent a notice to vacate a couple of years ago from that \$385 one, which was a good price. I had to take a rental for \$480 a week, which was more than 60 per cent of my income. I had to accept it because I made over 100 applications and none got back to me – only this one.

Aiv PUGLIELLI: Wow. Thank you, firstly, for sharing that. Given that trend that you have experienced, in your personal experience what would, say, a limit or a cap on those increases mean for your opportunity to not only live as is but also potentially save, have spare money and possibly look at buying down the track?

Sarah EDWARDS: Absolutely. That most recent one at \$480 a week – I was only there for a year, and they already sent me an increase. Rent caps would mean quite a lot to me and I think pretty much everybody else as well. It gives us a sense of security and a sense of agency over our money. We could plan for our future

knowing that there is a limit to where that money might end up going when it comes to housing. If it is 60 per cent of my income, like it is now, any amount more than that, even if it was only a \$10-a-week increase, can be life changing. I think it would be really good for us to be able to prepare for the future knowing that there are limits in place.

Aiv PUGLIELLI: And just touching on those increases, in terms of personal impact and how you live your life, how has that changed as the rent has risen?

Sarah EDWARDS: I have always been saving pretty hard and making a lot of sacrifices to try and save for a deposit for buying a home, but I was still able to go out with friends maybe once a week or once a month even. That has just slowly whittled away, and I have gone from being able to buy a concert ticket every now and again and buy some nice clothes every now and again to now being in a position where I am selling my possessions and not just giving up those things but digging into those deposit savings just to pay for the rent.

Aiv PUGLIELLI: Experiences like yours are definitely ones that I have heard out in the community. Thank you for coming and sharing that today. With my remaining time I might just go to Shaye next. Shaye, you spoke about the impact of Airbnbs on your community and your experience of looking at properties. For people in the position of looking for a rental in their community, what do you think will happen to their town if there are not enough affordable and available rentals but there are instead, say, Airbnbs on offer?

Shaye TOPAZ: Well, exactly. We had this discussion. We are a tourist town, so we make our money from visitors coming in. But how are we going to make money when there are no businesses open because the local people cannot afford to live here or there is nowhere for them to live? It does not make any sense. So it is making me pretty cranky. I also want to touch on what Sarah said. Poor Sarah is working to pay for somewhere to live; she is not even able to live her life. Sorry, Sarah, if it is out of context to say that, but this is heartbreaking for us to listen to. Am I just bringing up my children to shove them into a housing crisis where they do not even get to see the world or buy a concert ticket? That is disgusting. What is the point?

Aiv PUGLIELLI: Yes, I absolutely hear you. In terms of the properties that you were looking at and your experience, could you maybe talk a bit more about the standard of some of those properties and what it was like looking at what was on offer in your town?

Shaye TOPAZ: Yes, totally. We have got some friends who have to live in caravan parks, and they are paying \$400 for their little, tiny one-bedroom thing in a caravan park. Like, that is subpar living; there is no getting around that. Some of the properties we saw – like I said, there was a place where it was so dangerous. Our current property – we have got a bargain; we are paying \$350 a week and we have got three bedrooms. But we are up a flight of stairs and if one of my kids trips once, that is going to be it, and there is no way to rectify that because nobody responds to emails. And other properties that we have looked at were too small or just way out of budget, really.

We have got the added thing of having a court order where our stepdaughter needs her own room. So there are little things like that that people do not think about. We would not be the only family who have things to look at outside of just finding a place to live. There are stipulations and regulations and rules coming from different places, not just the rental market. But there is just so much more context to just finding a place to live and safety.

Aiv PUGLIELLI: Thank you.

The CHAIR: Thank you, Aiv. Sorry to cut you short there. I am just going to move on to other committee members. Mr Joe McCracken, could you please start your questions?

Joe McCracken: Thank you, everyone, for your contributions as well. I know everyone has been thanked already, but it is appreciated. The feedback has definitely been heard. I have got a number of questions. I do not know where to start. I might start with you, Sarah, if that is okay. You talked about a lot of the properties that you have had experiences with and some of the defects that you have experienced from renting there. What sort of experience did you have in trying to rectify that in terms of dealing with consumer affairs or those sorts of bodies? For example, I know they have got a process where you can issue a breach-of-duty notice. How did you go about all that sort of stuff? Was it easy? Was it difficult? How did you go navigating that system?

Sarah EDWARDS: Yes, I would definitely say it is difficult. Through my experiences in renting I have become, without trying, an expert on rental laws. I have had to write these things so often, like the breach-of-duty notices as well as repair requests and other ones like that. It is really tough. The amount of reading and homework that I had to put into just being able to learn and exercise my rights is just ridiculous. It puts a lot of the burden on the shoulders of the renter, who is already doing it really, really tough. A particularly poor example I have is a place that I stayed in for four years. I went through five different property managers, and each time I had a new one they did not email me, they did not contact me via letter or phone to let us know. I was just ringing a dead number for a staff member that was long gone, whenever I needed a repair. And that happened so many times. Each time they would pick up they would be, like, 'What repair?' When you asked for an update, it was, 'Oh, that was handled by the previous agent. Sorry, I don't have any information on that.' These agencies really need to be held accountable for following these things up and staying consistent across the board with their staff and their management.

Joe McCracken: I can imagine that would have been incredibly frustrating – not getting a response or attention to a breach of duty notice. Your only course of action after that is obviously to go to VCAT, which obviously would be time-consuming and costly. I guess, as you say, you have had a lot of experience. What do you think might be a good alternative to having to continually issue breaches of notice on maintenance, on just being able to live in a property? Because I know there is a whole different set of 'breach of' notices. Just from your own experience, what do you think would be a different way of doing things that could be better for someone in your position?

Sarah EDWARDS: Yes. Perhaps some more oversight so that these people do not just keep passing the buck and not following these things up – alternatively of course, having something like VCAT but perhaps an independent body that can deal with issues in a more timely manner as well. I think a big thing that de-incentivises a lot of us from using VCAT and doing breach of duty notices and following all these procedures is because of the time that we have to invest in learning and the time we have to invest in writing it up and the time that we have to invest in waiting. I made a submission to VCAT for compensation at a property I lived in five years ago. I am still waiting for the hearing date for that one.

Joe McCracken: Yes, wow. Okay.

Jillian WARNE: Can I just say too that for older people they do not even know about this stuff. And culturally they do not stand up for their rights. That is something that is totally foreign to them.

Sarah EDWARDS: Absolutely.

Jillian WARNE: Yes.

Joe McCracken: Yes. I appreciate that feedback – thanks very much – because I think there is an issue in the perhaps enforcement or 'lack of' of how these things are actually gone about. In the time that I have got left, I had a couple of questions for Neal as well. Neal, you spoke about an agent that you had had contact with – 200 properties that were sold that were rentals in a period of time. Did they give any detail about why that was? I mean, did they say it was too difficult to hold a property – costs, anything around that would be helpful.

Neal TAYLOR: Yes. Apparently a lot of landlords are now selling their properties because of some of the new expectations about rental properties. I think in the Yarra Ranges because of the green wedge area and the high fire area, there are now requirements for a water tank on properties. I think that is more in the rural areas. So a lot of landlords are selling properties rather than putting that in place because of the costs involved. There is a whole slew of other things too with all the fire protection and making sure the heating is running properly and all that. So there are all these expectations, and I think a lot of landlords – whether it is because they cannot afford it or what – are selling the properties. Even the guy I am renting from now, he has got two properties on the one block, and he is selling the second one because the maintenance and the expectations are becoming too expensive for him to maintain that.

Joe McCracken: I do not know how much time I have got left, Chair.

The CHAIR: Ten seconds.

Joe McCracken: I know that land tax has obviously been an issue that has been talked about in the last few months. The taxation network program regime more broadly in Victoria might pose challenges. Do you think that is something that could be looked at too, Neal?

Neal Taylor: Oh, definitely. I think we need a whole overhaul of all that sort of stuff and maybe even a look at that and seeing how that needs to be brought up to date and be a bit more modern, and becoming more predictable for things like modular homes and things like that, but also allow some of the costs that are involved with owning a home to be maybe relaxed a little bit or incentivised. Maybe some the landlords need to be incentivised too to make sure that they do some of these requirements. I do not know whether it is bonuses for actually doing something or whatever, but who knows. Tax areas could really definitely be looked at.

The Chair: Thank you, Neal. Sorry to cut it short there. Could I invite Mr Lee Tarlamis to start your questions. Just the timing – thank you, Neal.

Lee Tarlamis: Thank you, Chair, and I want to again thank all the panellists for sharing your personal stories and experiences with us today. I know that some of it has been quite difficult, but it really is helpful for us to understand the issues and what is happening out there as well. It has covered a lot of ground, and there have been a lot of common themes just in the last discussion. On the issue around the large number of reforms that came into effect in 2021, I would be interested to hear what experiences you have had with these reforms. Have they helped, and if not, could you suggest any other ways in which the enforcement of these new laws could be more effective?

The Chair: Any panellist – any witness – want to answer the question?

Sarah Edwards: I will pitch a bit of a vague idea of course. I do not really know how to explain how it looks to me, but I think if you have ever visited a website or anything government related, you will see that it works really well. I reckon it would be really helpful if we could create a regulated and centralised system for both the agents, tenants and landlords to deal with each other in a way that is accountable – you know, it records their responses, it records how long it takes them to do things. This platform could provide a pathway to escalating things further if needed as well. But yes, I think that would be a really good place to start, a centralised system for tenants and agents and landlords to communicate and ask for these things.

Neal Taylor: I actually would say that I do not think the reforms have made a huge amount of difference from my opinion. I know a lot of other people who, you know, besides the fact they may be able to take a pet into a property nowadays, it is whether they can get a property.

Sarah Edwards: Yes.

Neal Taylor: A lot of those restrictions have come through, but it does not really mean much if you cannot get a property to rent.

Lee Tarlamis: Anyone else? No? Okay. Just in terms of that as well, do you think there is an awareness about those new changes that have come in and people are availing themselves of those opportunities, those that are able to get rentals, or do you think there needs to be more understanding and awareness about those changes?

Shaye Topaz: I have no idea what changes you are speaking of, so definitely there is no awareness around it. I am completely out of the loop of what you are suggesting and what you are discussing. Life is busy. I do not have time to constantly refresh my browser to see what the new changes are. You know, when you need a house, you need a house. You are in like a tunnel; you are just trying to find somewhere to live. I am unaware of the reforms.

Jillian Warne: And honestly, you are not going to be mentioning those in the current market.

Shaye Topaz: Yes. Well, that is exactly true because who wants –

Jillian Warne: You are not going to be going in saying, you know, ‘I know that I have the right to have a pet’ or that –

Shaye Topaz: Exactly.

Jillian WARNE: 'I have the right to negotiate a five-year lease.'

Shaye TOPAZ: Because your name just gets blacked out on their list of 45 people.

Daniel McCORMACK: I have got an answer to that as well. When I was living in my last rental property I decided to put up a picture and use a hook instead of, you know, typical command strips, not understanding at the time that the reforms actually require you to get permission from the real estate before you could even put the hook in the wall, because I assumed because there were already hooks in the wall from previous tenants that it would be fine. After I left the property I got the patch work done, made sure it was paint matched and everything was fine, and that is the reason why they were asking for a bond refund back, to be able to fix the paintwork on the wall because it just was not the right pigment. And while I appreciate these reforms are here to help people feel at home, again with the market at the moment it is awful, and to the enforcement of being able to back yourself for these kinds of reforms where you do decide to actually take the chance to put a hook in the wall, it could get you in a world of trouble.

Lee TARLAMIS: Thank you. Just in the short time I have left, I just also wanted to ask – there has been a lot of discussion around incentives and also around the issue around longer leases. Do you think there is something that could be done in terms of incentivising landlords to offer longer leases?

Neal TAYLOR: Yes. Definitely there could be tax breaks or rate breaks or something like that for them to offer, I think. But yes, that would work, I think.

Sarah EDWARDS: I would like to add to that as well. There are a lot of incentives to be a landlord right now. I think maybe we could push the eligibility for those back so you do not just need to own an investment property but you need to own an investment property and offer it long term to be eligible for some of these incentives rather than just giving them out straightaway. I reckon that would be a pretty good idea.

Jillian WARNE: I would like to add to that too that the eligibility should be based on the history of the landlord.

The CHAIR: Thank you. Sorry to cut you short there. I would like to invite Dr Mansfield to finish her questions, please.

Sarah MANSFIELD: Thank you. I too would like to thank everyone for the information you have shared today and for your willingness to share those stories. I am sorry you have all been through that, and unfortunately I think your experiences reflect those of a really large number of people in our communities. I am actually from Geelong, but I am visiting Warrnambool at the moment; I am on Gunditjmara country, not too far from you, Jillian. You, and perhaps Neal and Shaye, talked about the impact of short-stay rentals, particularly in smaller towns. It is quite profound. What do you think needs to change in terms of short stays and any regulation that might shift that balance?

Jillian WARNE: Regulation is one thing. How is it going to be regulated? Is that going to be a Commonwealth or a state responsibility rather than falling to local governments to look at that? I think there probably do need to be some incentives for people to look at transferring to longer term rentals, but it is starting to shift anyway because people cannot afford to go on holidays. Unless there is a huge influx of overseas tourists, there are going to be a lot of people who are going to have to start at looking the finances and whether they can afford to keep their property as a short-term holiday rental, because they just not going to get the return. There needs to be some thought about that. As I said in my statement, this is ripping communities apart. You are losing your elders, you are losing people from a community, you are losing school populations and you are losing your workers – your hospitality workers – because there is nowhere for them to live.

Neal TAYLOR: I would echo that. One of the things that has been talked about out here in the Yarra Ranges is maybe starting to charge owners of these Airbnbs and places like that commercial rates for their properties, because if they are running a business out of a home, then it needs to be a commercial rate. That may incentivise them to go back to long-term rental. I know there have been some reforms or something done in Frankston or towards that area with that, but they are some of the things that they have been talking about up here. Incentivising I think would work, but I think it needs to be understood how much of an impact these places have, as Jillian has just been saying, on the actual community. It devastates communities.

Sarah MANSFIELD: And, Shaye, I do not know if you had any thoughts about that.

Shaye TOPAZ: Sorry, I have got someone making a racket here. I just want to point out that there is a wider issue. I know a fella who was putting his home up for Airbnb because he really needed that money quick smart. We have a wider issue with money and what is going on with bigger businesses not paying as much tax so that we have to cop it, so on and so forth. There is a reason probably why there are so many Airbnb properties around our area, because people are trying to make that money from the tourists. Obviously then it extends into the issue of people owning more than one and there are 10 properties that they all own, like what everybody was saying, but this is a huge issue. This is not just a renting and living crisis, this is crisis in itself – help. I do not know what the solution is. I do not know. It is beyond me.

Sarah MANSFIELD: Thank you. Neal, you used the term ‘price gouging’, I think, to describe some rent increases that perhaps you had experienced or people you work with have experienced. What do you think could be done to address that issue?

Neal TAYLOR: I am not sure. I mean, it has even been talked about that we could maybe have an independent arbiter go along to some of these open homes to ensure that some of this stuff is not happening, because, like it or not, that actually does still happen. A lot of people are even offering to pay above and beyond the rent to secure properties. Maybe there needs to be someone independent who comes along and sort of polices these sort of things. I do not know. Maybe there needs to be some restrictions in that properties cannot be leased for a period of time after they have gone on the market to allow a number of people to apply for them. I do not know. There needs to be probably some changes made into it. But it does definitely happen, whether we like it or not. There might be some laws and some changes around to prohibit it, but unfortunately it does happen – price gouging and negotiating rents, you know, ‘six months upfront, please’ and things like that.

The CHAIR: Thank you. Thank you, Neal. Sorry, Dr Mansfield, to cut you short there. I just want to say thank you. The time has caught up with us but thank you all for giving your experience. Believe it or not, it has given us a lot of insight, and we will continue seeking information and answers to try to deal with these issues. This brings the panel session to a close, due to timing. I thank you all for generously giving your time today and giving your personal information and personal experiences to us as we gather information regarding this inquiry. The hearing now will end and will recommence at 11:30 am. Thank you very much again for your time.

Witnesses withdrew.