

# **PROOF VERSION ONLY**

## **LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE**

### **Inquiry into the Supply of Homes in Regional Victoria**

Melbourne – Friday 4 April 2025

#### **MEMBERS**

Juliana Addison – Chair

Martin Cameron – Deputy Chair

Jordan Crugnale

Daniela De Martino

Wayne Farnham

Martha Haylett

David Hodgett

**Necessary corrections to be notified to  
executive officer of committee**



**WITNESSES**

Stuart Allen, Board Director (*via videoconference*), and

Caroline Speed, Director, Policy and Industry Collaboration (*via videoconference*), Master Builders Association of Victoria; and

Keith Ryan, Executive Director, Victoria, Housing Industry Association.

**The CHAIR:** We are back at the public hearing for the Inquiry into the Supply of Homes in Regional Victoria. I will just run through a few of the formalities as I welcome you to today's hearing.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means you can speak freely without fear of legal action in relation to the evidence that you give; however, it is important that parliamentary privilege does not apply to comments made outside the hearing even if you are restating what you said during the hearing.

You will receive a draft transcript of the evidence in the next week or so for you to check and approve. Corrected transcripts are published on the committee's website and may be quoted from in our final report.

Thank you for making the time to meet today. I will ask Keith, who is in the room, to introduce himself and then go to the Zoom, and then if you have got any opening remarks. If you could, please put your name and position on the record.

**Keith RYAN:** My name is Keith Ryan. I am the Executive Director of Victoria for the Housing Industry Association, HIA.

**The CHAIR:** Welcome. Stuart.

**Stuart ALLEN:** Stuart Allen. I am a Director of Stuart Allen Building. I also sit on the board of Master Builders Victoria.

**The CHAIR:** Terrific. Thanks so much for joining us today and making the time. Dr Caroline.

**Caroline SPEED:** Thank you. Caroline Speed. I am Director of Policy and Industry Collaboration at Master Builders Victoria.

**The CHAIR:** Terrific. Thank you so much for joining us today. Keith, would you like to kick off with some opening remarks?

**Keith RYAN:** I will keep it relatively short, partly because I do have a sore throat, more from hay fever, I should stress, not so much anything contagious.

**The CHAIR:** Daniela is here too.

**Daniela DE MARTINO:** Hello there.

**Keith RYAN:** Look, at the moment Victoria is obviously facing a housing crisis, as is the rest of the country, and it is particularly acute in regional and rural Victoria. But a lot of the themes that we can raise about the problems apply both to metro as well as the rest of the state, and sometimes we can lose sight of that. HIA in particular has a lot of members who are smaller, medium enterprises who are in the home-building industry and particularly regional Victoria.

Our members are finding it very tough at the moment to operate. They are facing very difficult financial conditions but also a lack of consumer confidence. They are also finding it, though, very hard to keep their businesses going as they deal with an increasing burden of government regulation through changes to national construction codes, tightening regulation, and we are noticing a decline in the number of builders who are actively working in the industry. I hate to say this, but I do fear that some of the things we have noticed in regional Victoria – shortage of trades, shortage of builders, shortage of support professionals, such as building

surveyors, engineers and the like, which is very much more serious in those regional areas – will start to become also more obvious in metro Melbourne. So in a way the problems of the country will become the problems of the city. Whilst I do not want to say it is all the fault of government, because that is not really quite fair and is a bit simplistic, it is true to say that a lot of government regulation and current government policy, which is trying to guide – or nudge, if one wants to be kinder – consumer preferences, consumer choices, is also having an effect.

I would, in my intro comments, like to really just stress that my members – and the master builders may want to make a similar point or may have a refined version of this – are really just saying they want relief. They want a break from extra changes to the laws. They want to be given a fair go. Because particularly in the country, where you have these smaller, medium-sized businesses, many of whom have been trading for a long time, we are losing them. They are disappearing. They are giving up, and quite frankly it is going to be very, very hard to replace them. I just really would call on this committee to acknowledge that that is a major concern. We do need to find ways to encourage more builders, new builders, to enter the industry, and at the moment the government's push towards having everyone living in apartments is not really going to help.

**The CHAIR:** Thank you very much for that. Dr Caroline, would you like to speak? I would also just like to say that Stuart Allen operates in the electorate of Wendouree – well, that is where his home base is, so I feel particularly privileged. I have never met Stuart in person, but as your local member, Stuart, thank you for making yourself available for today. I really appreciate it. Caroline, can I pass it over to you?

**Caroline SPEED:** Thank you. As you are aware, the residential development industry is facing unprecedented challenges, which are constraining new housing supply, but in addition to the range of issues we outlined in our submission the building reform proposed by the Victorian government is, by their own admission, focused on benefiting the consumer. Whilst we support strong consumer protections, we are concerned that the changes risk unfairly penalising reputable builders while failing to target the real issue, which is noncompliant operators, and our concern is that this may in fact result in fewer builders who are operating and able to contribute to supply.

Further, one of the most significant barriers to builders expanding their business is a current insurance model which nominates the total value of projects they can take on at any one time. Member feedback indicates that the cap on the value of projects has actually been reduced since COVID at a time when construction costs have increased by 40 per cent. So this has resulted in a reduction in the number of projects that builders can work on concurrently. To our knowledge, the current building reform does not address this issue.

We also are concerned about the Buyer Protections Bill that is currently with the Legislative Council, and we are concerned it will have a range of unintended consequences, including increasing the cost of projects for registered insured builders, which is likely to drive more consumers to lower cost unregistered and unregistered operators who are less expensive. This, combined with the increased risk that comes with rectification orders, may drive registered insured builders out of the industry, and as a result we are concerned that there will be fewer registered builders in a position to deliver on the state's ambitious housing target.

**The CHAIR:** Terrific. Thank you very much, Caroline. Stuart, do you want to add anything?

**Stuart ALLEN:** Yes. Can I just quickly add – and thank you for letting me be here today. How do we make regional Victoria attractive? That is where I would like to go. To unlock housing supply we need investment in infrastructure, and this is critical. It better connects regional areas to themselves and to Melbourne. If fast rail could connect major centres such as Wodonga and Ballarat, Sale or Geelong, imagine the benefits that this would create. It would attract investment, open up affordable regions, create jobs and improve the quality of life. This would ensure that regional towns are viable options for families seeking more affordable housing, but they could still remain connected to Melbourne for work or for educational purposes. Road networks that are safe and efficient would complement the rail. It is essential to have good access and planning for public transport. The cost of trunk infrastructure to connect greenfield development areas to the existing infrastructure in regional townships is a significant barrier to increasing housing supply to these areas. Victorian government investment is what would unlock these large areas of greenfield development opportunities and support and attract required growth.

Regional areas also require digital connectivity to be improved, telecommunications to be upgraded and to have resilience. If we could slow the uncertainty for investors, consumers and builders, I think the confidence would return. Planning and building key infrastructure first is the key to growing communities and partnering with private enterprises. Thank you. I am happy to take any questions.

**The CHAIR:** Terrific. Thank you, Stuart. We really appreciate your input and those ideas. Can I just start with you. Obviously the issue of trunk infrastructure in the western growth zones of Ballarat is an issue that I constantly talk about with the City of Ballarat and Central Highlands Water. In terms of the impact on you as a builder – I hear a lot from developers, but as someone who is actually building houses, what does it mean for you, the fact that trunk infrastructure is not keeping pace with demand? How is that impacting you and your business?

**Stuart ALLEN:** Thanks, Juliana. The building industry is very complex, as you would know. I think the trunk infrastructure is all about timing, and cost is timing. I think if the trunk infrastructure is not there, then what will the investors do? I think they will go elsewhere.

**The CHAIR:** Great. Thank you. Other questions. Wayne.

**Wayne FARNHAM:** You knew I was going to go on this one, didn't you?

**The CHAIR:** Absolutely.

**Wayne FARNHAM:** Thank you all for attending. It is good to have you here. Just for anyone that does not know in this room, I still have a builders licence, although it is in suspension at the moment. When we talk about construction, especially in regional Victoria – and this is my input on this – we have significant challenges. I think at the moment there are 20,000 registered builders in Victoria; there are only about 6000 practising of the 20,000. We have problems with apprenticeships and getting skilled workers to regional Victoria. My opinion is – and I am happy for anyone to have input in this – we have lost a lot of trades into regional Victoria to the Big Build infrastructure projects in Melbourne. I do not blame them, as a former tradie, because they are chasing the dollar, and best of luck to them. But it has affected housing in regional Victoria. When it comes to apprentices, I think at the moment we have one in two apprentices completing their apprenticeships. That is problematic. From the industry's perspective, how do we fix these issues to get building in regional Victoria back on track? I will open it up to you first, Keith.

**Keith RYAN:** Thank you, Wayne. I totally agree with you. The Big Build has been a major issue. In fact I was in this room probably about two years ago when we were discussing this issue. It is also probably worth stressing there are other drains on our talent, including Queensland and New South Wales. There is better work up there, and often lifestyle choices also are a factor – fishing and other activities seem to be easier up there. But the Big Build has been a major factor. There are some who argue that it is a different workforce, it is a unionised workforce and it is not the same people, but it does not matter, because the fact that those wages are there and the options are there, it reduces the pool and then leads to expectations. The Big Build will eventually slow down. You will have a series of workers who are used to the sugar hit, to use an expression used in this committee last time, who will suddenly have to adjust to a different environment. I think there are a few things that can be done. The Big Build and particularly the Suburban Rail Loop are projects that have caused a lot of angst. There would ideally be a slowdown. The simple fact is we also now have the Olympics coming up in Queensland. That will be a major drain on workforce availability for some time.

**Wayne FARNHAM:** So your opinion is we will lose workforce to Queensland because they will go –

**Keith RYAN:** I cannot see how we can avoid that, because you have also got to keep in mind that that project has a locked-in timeframe. You cannot say to the International Olympic Committee, 'We've decided to defer the Olympics.' It is not going to happen. They will have to pay, and they will probably end up having to pay unfortunately through the nose to get those projects finished. They will need every person they can get up there working. So that is going to be a major challenge for other parts of Australia, and particularly Victoria, to keep our workforce.

We do need to work on ways to improve entry to the workforce, obviously things like getting a more diverse workforce, more women, more people who are otherwise disadvantaged by current conditions. We need to have that workforce pool expand. We need to make sure that we have an industry that is inclusive and allows

people to feel comfortable entering. We need to ensure that our workplaces are safe for all people, and that is a critical thing. At the moment we cannot hide from the fact that current media coverage of construction sites, where you have OH&S representatives who find time between attending bikie meetings to turn up to sites to pretend to be a safety officer – those sorts of stories, no matter whether they are true or not, or are exaggerated or not, clearly create a perception that this is not a great place to be working.

Yes, there is a lot of work being done by a lot of people, both in industry as well as government to encourage more diversity, more participation. But we do need to also look at the challenges, the problems which actually lead to that environment in the first place. We also need to consider more innovative ways to encourage people to get involved in the industry, to enter it as a trade. Not all my members will thank me for saying this, but maybe we need to consider whether the apprenticeship system, which is very popular and has served us well for a long time, needs to be refined. Maybe we need to look more at micro-credentials, shorter entry pathways to get people in the industry and working, and we need to find ways to support employers to help workers to get into that space. There are things we can do there, but we do need to challenge some sacred cows, and that means we need to be prepared to make some tough decisions.

**The CHAIR:** Keith, earlier on we had Women's Housing Ltd come and speak to us, and they have done some projects down in Portland and Warrnambool and down in the south-west of Victoria. One of the big issues they were saying was that they were getting tradies from South Australia to come across to work in Portland as well as having people travelling from Geelong and Ballarat. Is there anything that we could be doing like – we did go and meet with South West TAFE, the three of us, just a month ago, which was really interesting and they have got some really good strategies in place. But as a government, what could we be doing to support these workforce challenges that you have identified?

**Keith RYAN:** Well, one thing is obviously when you get trades coming from interstate or even from Melbourne, accommodation is a critical issue. To be fair, the Victorian government has made some announcements and done some work on providing more accommodation, and that is very welcome. That is an important step. We also need to look at providing more support for employers to be able to afford the costs of actually accommodating and bringing them across. Another challenge is also recognising perhaps – and this is getting into a more controversial space – whether we can have more trades and experienced people from overseas coming and working in Australia.

**Wayne FARNHAM:** Just on that, Keith, the problem we have there, my assumption would be, is we have different standards and tolerances to what they do overseas.

**Keith RYAN:** Yes.

**Wayne FARNHAM:** Like, if you have ever seen an electrician in Thailand, you would shudder if you had them wire your house. So how would you overcome that hurdle?

**Keith RYAN:** Yes, you are right. We need to be very mindful that we have our safety regulations and standards for very good reason. That said, you do not necessarily have to have that person doing the entire job. You can look at ways to have workers who are contributing to the process but not necessarily doing the final completion and sign-off; delegation is probably not quite the right term to use, but essentially recognising that you can bring people in to provide support work and build on what they do and give them the chance to get the experience, to get the right skills and then be able to become licensed or registered in Australia. That would be a good start.

**Wayne FARNHAM:** I am just wondering what Caroline's thoughts are.

**The CHAIR:** Caroline, do you want to respond to workplace shortages?

**Caroline SPEED:** Thank you. In general I agree with Keith's points, and he actually made some points that I was going to make. We recently met with our regional sector committee, and Stuart is the chair of our regional sector committee. The feedback was that particularly with regard to apprentices, they were interested but there was a lack of accommodation available, and the accommodation that was available was too expensive for the apprentice wage. So if the government could provide some form of subsidised accommodation for apprentices, that would assist. It seems to me – and Stuart would [Zoom dropout] Know – there are apprentices

who are interested in working regionally and cannot [Zoom dropout] find accommodation. Stuart, is there anything you could add to that?

**Stuart ALLEN:** Yes, I can take over for a minute. I think early intervention into schools for apprentices is major. I think there is still a stigma around trades, and there is a push for people and for kids be taken into universities rather than taking on a trade. I think if we can do something in that space, it would be great.

**Wayne FARNHAM:** Bring back tech schools?

**Stuart ALLEN:** Yes, bring back tech schools. I think there is still an issue, and we are still feeling that. Can I just go back to an earlier comment on the older demographic of builders. We know that the industry is not replacing fast enough the builders that are leaving it. Can I just say it would be great to have some sort of pathway for the people that want to still stay in but maybe want to get off the tools. We are lacking building surveyors, and we are lacking people in that industry, but we need the people that have the skill set to be able to stay in. If government could work something around that, it would be really positive.

**The CHAIR:** Keith would like to jump in as well.

**Keith RYAN:** Yes. I totally agree with Stuart. Our members make the same points. The other point also is that it is not just the skill sets, it is the experience and the understanding of not just how the building process works but how people work. They are also very important. So yes, we do need to find ways to encourage our – I hate to say it, but sorry – ageing workers with ways to stay, because they do have so much to contribute besides just the technical skills.

**Martin CAMERON:** Could that also flow on to these older builders that want to get off the tools becoming our teaching workforce throughout TAFE as well? Obviously there are lines in there where the teachers are stretched. As you said, we need that hands-on experience of being able to teach the new apprentices coming through. Could that also be a flow-on effect? I ask Stuart.

**Stuart ALLEN:** I can jump in. That would be great. I know a lot of builders that would be happy to go into that teaching space, but they do not really have the other skill set – the computer skill set and everything else. So if there was a combination where you could go in and be the teacher but not necessarily another part of that educational process, that would be very handy.

**The CHAIR:** I agree with that, Stuart. My husband is a fitter and turner, and he is still on the tools. He would be an excellent mentor for young apprentices coming through in metalwork, but at this stage he does not have the skills to teach and do all the computer stuff and the assessment.

**Keith RYAN:** If I could add to that, we are a registered training organisation, so we obviously hire trainers and find them, and it is extremely difficult. It is also the requirement to have the formal qualification, the certificate IV, to become a trainer. That is something which would be ideally refined and if possible subsidised to help people to enter, because that would make a difference as well.

**The CHAIR:** That is a good point. Jordan, did you have a question?

**Jordan CRUGNALE:** You have all spoken about the cost of domestic building insurance – I think that was you, Keith –

**Keith RYAN:** I think Caroline also mentioned it, yes.

**Jordan CRUGNALE:** And Caroline as well, yes – which prevents some regional builders from taking on multidwelling developments even though they may have the capacity to do so. I was wondering if you could comment more on the cost and suitability of domestic building insurance. That could be a question for all of you.

**Keith RYAN:** Okay. Domestic building insurance is a product which is absolutely critical, and despite a lot of the bad publicity over the last few years because of Porter Davis and other builders going to liquidation, it is important to acknowledge that people have been put into their homes eventually. It has not been perfect, and I do not want to say that it has been a great experience for those consumers, but it has done the job of getting them into their homes eventually. It is something that, unfortunately, once you get above three storeys, you do

not get. That will in part be changed by the buyer protection Bill, but it is an important product. It is very regulated. There are realistically two mainstream providers of domestic building insurance at the moment. We do have the government body, the Victorian Managed Insurance Authority. They are between 80 per cent and 90 per cent of the market, depending on how you measure it. There is also a private company at the moment called Assetinsure, who provide between 10 per cent and 20 per cent of the market. It is a private company which is mainly based in Sydney but operates in Victoria, and it has a fairly significant pool of builders, including regional builders, on their books at the moment. They get those builders because they have been able to be more flexible than the VMIA has been at times.

Now, with the buyer protection Bill, Assetinsure will be required to exit the industry. That would happen potentially 1 July next year, or it could happen sooner. If it happens sooner, that will be very messy. The reason for that is domestic building and building insurance eligibility, which is the right to buy policies, is a precondition of being a registered builder. If you lose your eligibility, you lose your right to build. You cannot buy policies, you cannot sign new contracts, you cannot start new jobs.

At the moment, as Caroline mentioned, quite rightly, costs have gone up 30 to 40 per cent in the last few years.

**Jordan CRUGNALE:** Of insurance?

**Keith RYAN:** No, the costs of just building, sorry. The cost of insurance is much worse; it has been 53 and then 63 per cent over the last couple of years for detached homes. They are dramatic increases, and yes, we are still slightly less expensive than New South Wales, but it is still a cost that gets borne by consumers when homes are built for them.

But with the insurance eligibility, you get limits. You get limits on the size of jobs, individual jobs, you can sign but also limits on how many jobs in total you can do by monetary value. Those caps have either stayed as they are or in fact, if a builder has been unlucky enough to ask for an extension, have even at times been cut back. So we now have builders who have less capacity as we are being asked to build more homes. They have got less capacity to actually take on new jobs and build homes for clients, and that is really squeezing a business. If you are a businessperson who wants to keep your business going, the last thing you need is to be told, 'You now have less capacity to sign up new jobs.' That means not only do you have to start tricking back your business, which means less work for trades and less employees, but it also means obviously less flowthrough to the rest of the community with the benefits of those businesses. I am not sure if you want to add to that.

**Stuart ALLEN:** Keith's was a great answer on insurance. Insurance has been a problem in the industry for 20 or 30 years at least, and there are thoughts right now that instead of insurance going as last resort it is going to first resort, which a lot of builders are really concerned about. The biggest issue I think is what Keith was saying: it becomes a restraint on trade, depending on how the insurer views your business. That is a real difficulty, and that is one of the reasons that builders are getting out of the industry.

**The CHAIR:** Very good. Daniela, do you have a question you would like to ask?

**Daniela DE MARTINO:** Thanks, everyone, for joining us today. I really have an interest in modular homes or prefab homes. I am just wondering: do you have many members in this space, Keith?

**Keith RYAN:** We do have a number of members. I cannot give you the exact number. They tend to be at times hard to identify; they can overlap a bit. But yes, we have members, and so do the master builders.

**Daniela DE MARTINO:** What role would you see for the state government in increasing the market share of these types of constructions? I will throw it out to the three of you.

**Keith RYAN:** Caroline, I am happy to give you a chance to answer first, if you like.

**Caroline SPEED:** Thank you. We have been hosting site visits and having numerous discussions about modern methods of construction in general. From our perspective, modular – if you imagine, you can build a small house in a factory and then take it to site by truck – is one aspect of modern methods of construction. We have been more recently looking at panellised construction as well, where a registered builder signs a contract with the consumer and they engage a manufacturer to essentially pre-make the walls, floor and roof of a house.



That can all be done in a day, and then that gets taken to site by truck and bolted together onsite in about two and a half days. You can get from manufacturing to lock-up in five days with that process.

There are benefits to both. They are the two that we see at the moment as being the faster methods to build whole houses. I suppose there are pros and cons of both. Modular – or building a whole house in a factory – tends to have a different aesthetic, and we know that that aesthetic appeals to some consumers. The flat-pack version, if you like, can replicate aesthetically houses that are built onsite, so if you go through a greenfield development, you would not be able to tell the difference.:-

They have a product that they can build onsite and they have a product that they have manufactured in a factory and brought to site and essentially put together in a couple of days. The consumer would not know the difference between a townhouse that is built onsite or a townhouse that was manufactured in a factory and brought to site.

**Daniela DE MARTINO:** That is good to know. And can I, because we are on this – I hope you do not mind, Chair – ask a question about 3D printing.

**The CHAIR:** Please do.

**Caroline SPEED:** 3D printing – very interesting. I am fascinated by 3D printing. I think in terms of our regulatory system, particular our permit and prescribed inspections system, it requires – and Keith, please feel free to add to this –

**Keith RYAN:** I am happy to jump in if you like, Caroline – your bandwidth is dropping off. There are significant challenges with 3D printing but also modular prefab building with the current legal regime we have – the *Building Act* and the *Domestic Building Contracts Act*. Those bits of legislation are essentially designed to deal with traditional building methods, which means that when you start to move into more innovative construction methods, the legal process, the regulatory process, breaks down and does not really work. At times we have to have creative regulatory solutions being used by regulators and by the regulated. Sometimes that works fine and there is no harm; other times it does cause problems. We know that the Victorian government has been very actively looking at ways to improve that regulatory framework, so that is important to acknowledge, and in fact we have recently been working on a paper that has come out from the government – I am sure the Master Builders have had the same opportunity – and we have identified a number of things that can be done. The inspections are critical – having a process for allowing for the inspection process to accommodate both offsite as well as onsite.

We also need to review the way the contracts work. You may be aware that recently the Commonwealth Bank announced that it would develop a contract which would allow for recognition of prefab. Ironically HIA and, I suspect, Master Builders have had one of those for many, many years, but it is still nice to know that a bank sees it as being an important thing to do. That said, the *Domestic Building Contracts Act* at the moment imposes a mandatory progress payment scheme which applies to everything, including in fact high-rise apartment buildings, which is nonsensical. We are expecting the government will move soon to start to fix that, and that is good – we welcome that – but it will be important that government be mindful that the legislation that they impose today needs to be flexible enough to cover the future. The reason why we are in so much trouble at the moment is because we have legislation which has been done by set-and-forget, particularly in the case of the building contracts laws. So there are some challenges there, but the government is looking at it and we are looking forward to seeing some action in that space.

**The CHAIR:** Thank you for your involvement in that as well. Caroline or Stuart, did you want to add anything?

**Caroline SPEED:** You go, Stuart.

**Stuart ALLEN:** Just with the modern methods of construction, we need to be mindful of time restraints. There is a lot of investment needed to be able to set this up, and if you start talking robotics and all that sort of stuff, and the programming, and there is time, some people talk about years of being able to set it up properly, because we are in an environment at the minute where we have got shortages now. We need a little bit of long-term, but we need a bit of short-term relief.

**The CHAIR:** Sure. Other questions?

**Wayne FARNHAM:** You have mentioned in your submission about taxes and taxes on the building industry – sorry, on your website. Just do not say ‘all taxes’, because that is not going to ever happen, but what are the most important taxes that you think we should get rid of so we can make housing more affordable, cheaper?

**Keith RYAN:** Okay, look, the obvious one to mention is the transaction tax: stamp duty. One reason why we have people having to stay in their old homes and not move is the fact that there is this massive barrier in the form of stamp duty. It is obviously difficult to replace it. There is a need for the revenue, and we acknowledge that. There is currently a new system being developed for commercial and industrial land, and we will be looking forward to seeing how that progresses, and that may well be a model for homes in the future.

The other tax which is probably having the most impact at the moment is the windfall gains tax, which is really a big dampener to investment and discouragement. It is no secret that, unfortunately, despite its many attractions, Victoria is seen by many investment bodies as being an undesirable place to do business at the moment. There are better places to invest, and without wanting to be disrespectful to places like South Australia and Western Australia, they are seen as being better places to go at the moment, a better bet. Now, that is disappointing, because Victoria is the largest home-building market in the country still. We are bigger than Sydney, we are bigger than Queensland, and we really should be doing better. So there are potentials there. But the windfall gains tax and stamp duty would be the two I would mention as needing the most attention.

The third one I will mention just quickly is the disincentive on foreign investment. We have a series of taxes that are designed to discourage foreign investment. I understand there is a desire to ensure Australians have homes, and no-one really would disagree that we want everyone in a home. However, to get homes built, we need the investment, and at the moment these foreign tax settings do discourage foreign investment in getting homes built, which can then be occupied by people living in Australia.

**The CHAIR:** Did anyone else want to add to that?

**Caroline SPEED:** I agree with Keith. I would also add, I was involved in some research a couple of years ago that quantified the percentage of a new residential lot in greenfield areas that was paying taxes and charges to authorities, the state government and the local government, and in the worst-case scenario, it came to 53 per cent. I think in the best-case scenario it was about 35. Data that I have seen recently is landing at around 40 to 45 per cent.

**Keith RYAN:** Yes.

**Caroline SPEED:** It is not so much there is one single tax or charge that needs to be reviewed; it is the sum of the parts at the moment, and the incremental increases in a whole range of those charges add up to quite a lot at the end.

**The CHAIR:** Certainly. I am conscious of the time. I want to say thank you very much for being here, but if there was anything else that you wanted to add before we wrap up this session, we would certainly welcome any additional thoughts or issues that you would like us to consider in our deliberations.

**Keith RYAN:** I think the only point I would like to add is that we understand the Victorian government’s desire to deal with the urban sprawl. They are now looking at doing that with Bendigo, Ballarat and Geelong. Yes, there is going to be an evolution of how people choose to live and where they want to live. But we also need to be mindful that, ultimately, homes get built because people pay for them to be built; they order them to be built. Consumer choices can be nudged, but they cannot be forced upon them. There was a story this morning in the *Age* about the fact that there are 8000 unsold apartments in Melbourne. Now, I do not want to be disparaging about a particular segment of the industry, but it does indicate that consumers are making choices. We still know that consumers want their block of land or at least something very close to it and they want that ability to be able to move around and that is something which is going to continue to be important for the future.

**The CHAIR:** Thank you, Keith. Caroline?

**Caroline SPEED:** I will offer the closing comments to Stuart. Stuart, what would you like to add?

**Stuart ALLEN:** I will be quick. My theory is if you want increased productivity, I think there needs to be flexibility in red tape, there needs to be flexibility in insurance and there needs to be flexibility in the contract.

**The CHAIR:** Excellent, very succinct. Thank you, Stuart, and I will just put the hand of friendship out to you: do not be a stranger. If there is anything at a local level you would like to raise, as your local member my door is always open. I am happy to shout you a cup of coffee. Caroline, thank you very much for your time today, and I am sorry there were a few technical glitches but you have really added value to this session, and we appreciate it. And Keith, thank you for being here in person. As always, you provide us with a really strong perspective, so thank you very much.

**Keith RYAN:** Thank you very much.

**Witnesses withdrew.**

**WITNESSES**

Darren Smith, Chair,

Andrea Levey, Member, and

Paul Michaels, Manager, Victorian Aboriginal Housing and Homelessness Forum; and

Fiona York, Executive Officer, Housing for the Aged Action Group.

**The CHAIR:** Thank you everyone for joining us today for the public hearing for the Inquiry into the Supply of Homes in Regional Victoria. I would really warmly like to welcome Housing for the Aged Action Group and the Victorian Aboriginal Housing and Homelessness Forum.

I will just run through some important formalities before we begin. All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means you can speak freely without fear of legal action in relation to the evidence you give. However, it is important to remember that parliamentary privilege does not apply to comments made outside the hearing, even if you are restating what you said during the hearing.

You will receive a draft transcript of your evidence in the next week or so for you to check and approve. Corrected transcripts are published on the committee's website and may be quoted from in our final report.

Thank you for making the time to meet with the committee today. My name is Juliana Addison, and I am the Chair. I am the Member for Wendouree, representing central Ballarat.

**Martin CAMERON:** Martin Cameron, Member for Morwell and Deputy Chair, so down in Latrobe Valley.

**Wayne FARNHAM:** Wayne Farnham, Member for Narracan, and I cover the West Gippsland region.

**Jordan CRUGNALE:** Jordan Crugnale, Member for Bass. I have got the sort of Western Port area, Casey, Cardinia and then the whole of Bass Coast shire.

**Daniela DE MARTINO:** I am Daniela De Martino. I am the Member for Monbulk, and I cover the Dandenong Ranges.

**The CHAIR:** Earlier today we did acknowledgement of the land on which we meet, but I would like to acknowledge that again and pay my respects to elders past and present and extend that to any Aboriginal people who are here with us today.

Would you like to start off with introducing yourself and maybe making a brief statement? Darren, shall we start with you?

**Darren SMITH:** Sure. My name is Darren Smith. I am the Chair of the Aboriginal Housing and Homelessness Forum. I am also the CEO of Aboriginal Housing Victoria, which I think is why there is a little bit of confusion here. I am a Palawa man from Tasmania, but have lived here in Naarm for the last 35 years.

**The CHAIR:** A warm welcome to you.

**Darren SMITH:** Would you like a statement?

**The CHAIR:** Shall we introduce everyone? That might be good for Hansard.

**Andrea LEVEY:** Hi, my name is Andrea Levey. I am the Manager of Sector Development at Aboriginal Housing Victoria.

**The CHAIR:** Welcome.

**Andrea LEVEY:** Thank you.

**Paul MICHAELS:** I am Paul Michaels, I am Manager of the Aboriginal Housing and Homelessness Forum with Aboriginal Housing Victoria.

**Fiona YORK:** I am Fiona York. I am the Executive Officer of Housing for the Aged Action Group.

**The CHAIR:** Excellent. Who would like to start with initial comments? Should we start with you, Fiona?

**Fiona YORK:** I can start, yes. I would also like to acknowledge the traditional owners and pay my respect to elders past and present. I also note that everything that I am speaking about today, Aboriginal people experience that in a disproportionate way, so I just want to acknowledge that it is a lot worse for older people in regional Victoria.

Thanks for the opportunity to speak today. I am from Housing for the Aged Action Group. We are also known as 'hag' or 'hage' or 'haag' – we are not really fussed on the acronym. We are a member-based organisation. We have been around for 40 years, and we deliver the Home at Last service in Victoria, which provides information and support services for older people who are homeless or at risk of homelessness. We also have a national awareness-raising campaign that advocates for policy responses on a federal level as well. Our services across regional Victoria include a statewide phone line which provides housing advice and support. We also have outreach support to help people access housing in the Goulburn Valley–Hume region, the Barwon region and the Mornington Peninsula region, which is not strictly regional, however it still faces a lot of the same issues as regional areas do. This also includes the federally funded Care Finder program, which connects people at risk of homelessness with aged care services.

There are three things that we want to emphasise today. One is that despite the assumptions that older people in regional Victoria own their own homes, increasing numbers of people do not, and they find themselves facing the real and frightening prospect of homelessness in older age. We desperately need more homes for low-income older Victorians and the best way to do that is by investing in public and community housing and low-cost retirement housing. But we have observed anecdotally that there can be community opposition to social housing developments in regional areas, and we would like to see a lot more proactive community responses to be able to combat some of that misinformation and those stereotypes around public housing. Older people in regional Victoria are facing a significant and growing housing crisis that has serious impacts on their health and wellbeing, and this limits their ability to access aged care supports – it is very difficult to be able to access in-home care if you do not have a stable house.

We undertook research in 2023 with Swinburne University which was based on census data, and it demonstrates that the Australian retirement housing system is built on the expectation that older people own their own home at the time of retirement, but we know that the proportion of people over 55 who live in their homes owned outright is declining, and this includes people in regional Victoria. It also shows that there is a big increase in the number of older people renting, with nearly 29,000 people over 55 in the lowest incomes renting privately in regional Victoria, which is a 63 per cent increase in 10 years, so a significant jump in older people in regional Victoria who are living on low incomes in the private rental market.

We know that the private rental market is not necessarily appropriate for older people because of the escalating rents. We know that the Anglicare *Rental Affordability Snapshot* showed that there are hardly any rental properties even in regional Victoria that are affordable for older people on JobSeeker or the age pension. If your rent goes up by a small amount, you are going to have to choose between buying food, medicine and paying bills and rent, so we know that people are going without medications, without food, without heating or cooling so that they can prioritise their rent, so they are getting their rent paid. We hear every day from older people who are in crisis due to receiving eviction notices and unaffordable rent increases. It is an extremely stressful situation that really impacts on their health.

The result of this is that homelessness has also increased rapidly in regional Victoria. There has been a 52 per cent increase in homelessness in five years in regional Victoria compared with a 17 per cent rise in metropolitan areas. That shows how bad the housing crisis actually is in regional Victoria, and I think it is hidden, it is away from people's view, and that is why it is so great to be able to speak about housing supply, which is the most important solution to homelessness.

The other issue that we see is that when older people are faced with this crisis they do not know where to start to be able to resolve the issues. They may not have access to the internet, they may find it difficult to navigate

online applications and they are competing in a very tight rental market with younger people in the workforce. Renting is insecure, so people can be evicted at any time, and a lot of the housing stock in regional Victoria is also of a poor standard. Around 50 per cent of our clients have got mobility issues which impact on their housing, which means that if they have a fall or they end up in hospital, they cannot come back into their homes, because there are stairs to navigate or it is just inappropriate, but they are often reluctant to request the basic modifications that would improve the safety of their homes because they fear eviction. Our main solution for this, and it is in our submission in more detail, is that we really think there needs to be provision of social housing that provides security of tenure, and we also know that there has been a decrease in the number of older renters in regional Victoria as well.

We also know that even when people – local government and state government and the community – work together to be able to build housing, there can be opposition to that, and that can mean that housing is delayed. What we would like to see is that regional councils are supported to be able to bring the community along with them so that these housing developments can be accepted and part of the fabric of life. The provision of low-cost housing is the solution to homelessness. We have some other recommendations in our submission around the short-stay levy being reinvested back into the places where it comes from and around the secondary dwelling, being granny flats and things like that, being actually provided for older people so they can stay in their communities and they do not need to move into town to get the services that they need. I will leave it there and direct it over to you guys.

**The CHAIR:** Terrific. Thanks, Fiona. Darren.

**Darren SMITH:** I have got a presentation.

**The CHAIR:** We would love a presentation.

**Darren SMITH:** I am going to pass you copies, and apologies to the member online.

**Daniela DE MARTINO:** No problems, thank you.

**The CHAIR:** I will hold onto one for you, Daniela.

**Darren SMITH:** I would like to begin by acknowledging the Wurundjeri people, the traditional owners of the country we are on today, and pay my respects to their elders past and present, and I would also like to acknowledge we are on Aboriginal land that has never been ceded.

I just wanted to start by thanking you for the invitation and the time to come and talk to you today. I am going to take you through a presentation, which is mostly high level, explaining the circumstances of Aboriginal people with respect to house and homelessness in Victoria, and then at the end we will talk about some of our understanding of what is happening out in the regions. I think it is worthwhile setting it up, but I thought it would be also good to start with a statement from the Honourable Harriet Shing, member of Parliament, from the Yoorrook testimony where she has acknowledged the role of government in terms of the current position of Aboriginal people with respect to housing and homelessness.

I would also like to explain who the Aboriginal Housing and Homelessness Forum is. There are 38 Aboriginal community controlled organisations across Victoria that are part of the Aboriginal Housing and Homelessness Forum. They are organisations that are Aboriginal housing providers, they are organisations that are Aboriginal homelessness providers and they are organisations that are very interested in the housing and homelessness issues in their communities. It does include traditional owner corporations who are considering becoming social housing providers.

The Aboriginal Housing and Homelessness Forum's main role is in terms of implementing *Mana-na Woorn-tyeen Maar-takoort* and working with government around how we need to do that. I will talk about the Aboriginal homelessness crisis in Victoria. I do not know how aware you are of what is happening in Victoria, but there is an absolute crisis of Aboriginal homelessness. One in five Aboriginal people in Victoria are accessing specialist homelessness services every year, which, if that same situation was occurring in the general population, would mean over a million people accessing specialist homelessness services a year. It would be on the front page of every paper and the Victorian government would be in absolute crisis working out how to respond to it.

The causes of that crisis are the things that you know and understand as well, which are slightly more pointed in the Aboriginal community – so housing market failure, which I do not need to tell you about, and I am sure there are people who can talk about what is happening out in the regions and in metro Melbourne with a far greater level of specificity and detail than what I can, but there are also factors that are specific to the Aboriginal community. If you look closely, you can see a very clear line between current homelessness in the Aboriginal community and dispossession going back 200 years, and that includes the lack of intergenerational wealth. The other factor that you may not be aware of is the rapid Aboriginal population growth. We have had a demographer do some population projection for us, and even looking back it confirms, when you go back over historical censuses, that the Aboriginal population doubles every 20 years, roughly. So it just means that there is an edge to what is going on in the Aboriginal community as well. The other issue that we have is, because of the current circumstances, there is an over-reliance on the broken safety net of social housing and homelessness services. The other issue which I am sure you have possibly heard a number of times already is racism, and it is a factor that is more blatant and more obvious the further you move away from the centre of the CBD of Melbourne. If you want some confirmation of that, you probably do not need to look much further than the referendum last year and who voted yes and who voted no and where.

I want to talk a little bit about *Mana-na Woorn-Tyeen Maar-takoort*. Back in 2018–19, we went through a process with the Aboriginal community where we went and asked government for some funding because we thought we needed to develop an Aboriginal housing and homelessness policy for Victoria. We could not see that we were making much progress, and when we went through that process, we basically went through it with community. It was an Aboriginal community-led process. We came back to government, and we presented it to government in Queen's Hall back in 2020, and it was accepted by the Minister for Aboriginal Affairs and the Minister for Housing at the time, which was Gavin Jennings and Richard Wynne. Essentially, *Mana-na Woorn-tyeen Maar-takoort* is a 20-year road map outlining the reforms in order to actually address the housing and homelessness issues of the Aboriginal community and to ensure that every Aboriginal person has a home. And *Mana-na woorn-tyeen maar-takoort* – that is what it means in the Gunditjmara dialect languages.

The next page is: *Mana-na Woorn-tyeen Maar-takoort* has five key strategic objectives or goals – secure housing improves life outcomes, build supply to meet the needs of a growing Aboriginal population, open doors to home ownership and private rental, an Aboriginal-focused homelessness system and a capable system that delivers Aboriginal housing needs, and that responds directly to the issues and needs of the Aboriginal community. Our approach to housing is not that you pick one issue off at a time and deal with it. You need to be thinking holistically about all the issues, because they are all interconnected and interrelated, and one of the challenges is the government sees things in terms of programs, initiatives, portfolios which do not necessarily allow you to do that.

Since 2020 there has been progress, and we have lined them up in this table against the priority areas, the five strategic goals. Some of the key things are that there has been relief, particularly for regional communities, through the Aboriginal private rental assistance program. There were zero programs in 2020, and there are now 10 right across Victoria, which are working well and delivering. Through the Big Housing Build *Mana-na Woorn-tyeen Maar-takoort* has a target for all new investment into housing and homelessness for 10 per cent of those new investments to be set aside for Aboriginal people, in recognition that we are starting from far further back in the field than everybody else. That, particularly through the Big Housing Build, has meant that we have seen growth in the number of new houses being provided to Aboriginal people but also too, in terms of through the Social Housing Growth Fund, that Aboriginal community controlled organisations actually own the 10 per cent of the Social Housing Growth Fund properties as well, so the wealth goes back to the Aboriginal community as well as the response through Aboriginal people also being picked up.

There have also been investments into homelessness in recognition that the homelessness system is not working effectively for Aboriginal people. We went through a process, supported by government, of developing a blueprint for reforming the homelessness system so that Aboriginal people are more effectively supported into housing and their support needs are met in an improved way. The blueprint is essentially a devolved reform process. Basically we are working from pilots, which have been fully established now in Geelong and across over in St Kilda. Wathaurong co-op and Ngwala Willumbong have both been funded and have established their entry points over there. That was funded through budget, back three years ago now. Through the last budget there was an allocation of funding which was distributed. It was provided to the Aboriginal community in accordance with Aboriginal self-determination and on the basis that the Victorian Aboriginal Housing and Homelessness Forum would identify the distribution of funding – where it would go and what it would be for.

Again, it was primarily about supporting a number of Aboriginal homelessness providers, particularly in the regions, that have very small funding allocations but that have expectations about what they can do to support Aboriginal people experiencing homelessness.

The last one is that there have been some investments, particularly into capacity building to support the Aboriginal community controlled organisations in recognition that there is a need to build the scale and the ability to deliver high-quality services in the sector, in recognition that currently the majority of the funding for Aboriginal clients goes into the mainstream and only a small proportion goes into Aboriginal organisations. Okay, I can breath.

**The CHAIR:** You are doing well.

**Darren SMITH:** The next one, just to try and give you –

**The CHAIR:** I am just conscious of the time. We might be able to read some of this. It would be really great to ask some questions.

**Darren SMITH:** Sure. How long do I have?

**The CHAIR:** Well, we have got about –

**Darren SMITH:** Okay, I am going to keep moving very quickly, then.

**The CHAIR:** Great. Please do.

**Darren SMITH:** The state of progress – the next slide is on the impact. Very clearly, despite all the progress that we have made, the number of Aboriginal people accessing specialist homelessness services, the number of Aboriginal people on the VHR and the proportion of Aboriginal people in social housing are all going the wrong way, so we really need to keep moving. We are moving to a position where the funding is at risk, for more social housing growth, and we recognise that we need to actually keep growing, because we have got 7300 Aboriginal people currently on the VHR, and we are asking –

**The CHAIR:** Do you have a regional breakdown of that, or is that statewide?

**Darren SMITH:** We have got a regional breakdown in a minute around the percentage of people that are across the regions on the VHR. There are two targets – two pieces of work. The Aboriginal homelessness target is all about doing the work that we need to do in order to understand how we actually reduce Aboriginal homelessness. Rather than it continuing to go up, we want to see it go down, and over the next 10 years we want to reduce it by 10 per cent a year. Then we would like to see a commitment to fund 3000 additional Aboriginal social housing dwellings, which would be owned by the Aboriginal community controlled sector.

The next page is just a summary of that. I will keep moving up the back, onto this page about Aboriginal social housing demand in regional Victoria. I am just going to point to that, but it does say that 66 per cent of Aboriginal Victorian social housing need is in regional Victoria. On the next page is the distribution of where the highest LGAs are in terms of population, and it identifies the projected growth rate going into the future, which gives you an indication of where the main LGAs are for Aboriginal housing needs. There is a slide with the homelessness data, and what that identifies is that 60 per cent of Aboriginal Victorian specialist homelessness services clients are coming from regional areas. That does not mean that they are being serviced in regional areas; it means that that is where they came from. I will leave the rest of those facts there for you to have a look at. I am going to go to this one.

**The CHAIR:** Beautiful. Yellow, yes. Over to you – barriers, yes.

**Darren SMITH:** In terms of social housing growth, these are the barriers to Aboriginal community controlled organisations being able to participate in government capital funding rounds and also in terms of the other constraints that they have. They are fairly obvious. As part of those 3000 additional Aboriginal social housing dwellings that we are working with government on, we are also putting together a reform paper which identifies that there are reforms required in terms of procurement, in terms of planning and in terms of land supply where those levers can be tweaked so that they actually encourage Aboriginal proposals, reduce the costs and reduce the risks of building new housing. So this is kind of the solutions page.



The regional planning slide is just an indication of some of the issues that we are going through, but we are also supporting a regional planning process because we recognise that we need to have the planning down in the regions with the ACCOs that are identified, because each region is different and has different needs. Also, as part of having an Aboriginal community housing sector that can participate, we need to build scale, we need to build capability and we need to do it on a regional basis because that is where it actually happens; it does not happen in Melbourne.

**The CHAIR:** Thank you very much, Darren, for that very comprehensive presentation. I am sorry that we had to race through it, but it is fantastic that we have all got our own copies to hold onto. Thank you as well, Fiona. Just one issue for me, coming from Ballarat – it is interesting to see the percentage growth for my community – is that we had a lot of orphanages with the stolen generation in Ballarat. One of the real issues we have for the elders in my community is that Nazareth House was an orphanage that many of the stolen generation were put into, and now that is an aged care facility, and they are not going back. There is no way that they are going to go back. We have done some really good work, which I am very proud of, in Ballarat with BADAC, and what our ACCO has done is a beautiful new development for the elders. I was talking to Karen Heap about it just the other day and she said people are settling in and it is really working well. That is why I am tying the aged and Aboriginal people together. When you have so many Aboriginal members of your community from the stolen generation, the issue of caring for the aged and what housing looks like for them is a real challenge. But that is just my analysis. Who would like to continue on while I compose myself?

**Fiona YORK:** Can I just make a quick comment about that. I think it is a real issue when aged care is being delivered a lot, and homelessness services, by faith-based organisations that also have this historical abuse, which is often not dealt with. And we hear often, not just from Aboriginal community members but culturally and linguistically diverse, LGBTI, forgotten Australians and care leavers that they will not go back to those services. We need to have secular organisations and community-led organisations empowered and given the capacity to actually deliver those services themselves because, yes, older people will not be reinstitutionalised and they will just say no.

**The CHAIR:** Absolutely, and to be able to have that in regional areas – I think there is more consumer choice in metropolitan Melbourne. They have often got very limited consumer choice, and therefore people are being forced to go and seek help from services that they are not interested receiving help from. Darren?

**Darren SMITH:** Just quickly, in the slide deck there is also a slide about the different cohorts that we recognise in the Aboriginal community – elders are definitely one. Even though we are a very young population, we now have a growing number of elders and aged people. Aboriginal Housing Victoria has 1800 properties across the state, and we recognise and see the issue about ageing people in larger houses and the need to have some kind of a solution around pathways to aged care, including pathways to multiple housing for those people.

**Andrea LEVEY:** I just wanted to say I have been to the BADAC elders housing.

**The CHAIR:** Yes.

**Andrea LEVEY:** I went with Mike McCaw from BADAC. He took us around and showed us it while was still in development but nearly finished, and I think it is an excellent example of what should be happening. I think it is amazing.

**The CHAIR:** A really good model that we should be replicating.

**Andrea LEVEY:** Yes, definitely.

**The CHAIR:** We are very proud of it, so it is great.

**Martin CAMERON:** We have a lot of younger Indigenous people that couch-surf a fair bit in Morwell and surrounds. The numbers that you have put here, are they picking up everybody, do you think? Or are there some that maybe are slipping through, so they may be a little bit higher than what you have got here?

**Darren SMITH:** The numbers count who fronts up at a homelessness service, and then they count who puts in a VHR application, so I think it would be an undercount. I think that there are a lot of young people

particularly who will not be putting in a VHR application. They will not be fronting up to homelessness services.

**Martin CAMERON:** Yes, because just looking at the figures there, I thought they were probably a little bit lighter on than what we are hearing on the ground as we work with the providers. And it is the same with our ageing population too; it is a huge concern. Wayne used to be a builder and I am an ex-plumber, and being involved in that particular part of the community, knowing that the houses are not fit for purpose for them, where do they go, as you say, if they do have a fall? That is why they are in aged care, because they are not coming back to their house that they may have been in for a very long time. So it is a real issue moving forward.

**Fiona YORK:** Yes, for sure. And we know the population is ageing, but it is ageing a lot quicker in regional Victoria, and some of the electorates have got very, very high proportions of people over 65. So it is already here in regional Victoria.

**Martin CAMERON:** Absolutely. It is great data, though. Thank you. I appreciate it.

**The CHAIR:** Can I just say anecdotally – and sometimes a case study is emblematic of a bigger issue – there is an amazing woman who lived in a block of flats just opposite me. I run into her a lot down the street, and I go, ‘I haven’t seen you for a while.’ ‘Oh, I had to move.’ And then I see her again and I go, ‘How are you going in your new place?’ ‘Oh, I’ve had to move twice since then.’ One of the real issues, and we have talked about it today, is there not being a lot of one-bedroom units in regional Victoria. But this woman, who is living on a pension, is now under the most horrendous mortgage stress. She is an older woman, and I see her and I go, ‘Hello,’ and she is just like, ‘Every time I have to move, there are the costs of moving, as well as the spikes, to get into the next place when it is so competitive.’ What should the government be doing to support older Victorians in these circumstances?

**Fiona YORK:** Well, we need more housing that is affordable, and genuinely affordable, for people on the pension. We need more investment in public and community housing but also low-cost retirement housing. In the past, there used to be a lot more independent living units, low-cost retirement housing in regional Victoria. Twelve units or so behind a church or something like that – a lot of those were one-bedroom and they were places where people retired into, and they were affordable. That stock is disappearing; it is being turned into more expensive housing or sold off or turned into residential aged care, and we are losing that mix of housing types. We do not have those choices anymore. So I think all of those things need to be invested in by government.

But for people with a mortgage that are in mortgage stress, there are some federal government schemes that are not very well known that can assist people on the age pension to be able to stay in their homes, and I think there are some possible options for state government to come in with those shared-equity-type schemes for older people, because at the moment people with a small amount of assets cannot get into public housing because there is an asset limit, they cannot purchase anything because of housing costs, and they sit there in private rental whittling away their savings because there is nothing for them. But they are not eligible for bank loans because they are older and all of the shared equity schemes are tailored towards first homebuyers and younger people. So we do think that there is some sort of lever there that could assist people, or assist people that want to downsize potentially as well into something more appropriate. It is a housing supply issue and then it is also those other sorts of supports for older people.

**The CHAIR:** And a mix of housing as well for –

**Fiona YORK:** Choice and variety, yes.

**The CHAIR:** Absolutely.

**Fiona YORK:** And just one thing I was going to mention is that particularly in regional Victoria the regional centres are the places that tend to get the investment and tend to get the services. We deliver a service in the Goulburn Valley Hume region. We are not in Shepparton. We are in all of the little towns around the place – Tongala and Tatura and all those small, small places where you might have a neighbourhood house and a community centre and maybe a district nurse if you are lucky, or a bush nurse, and that is it. And so, really, people want to stay in those communities, but they cannot afford to. They are impacted by housing costs, lack

of services, lack of transport, and we need to see more around looking at the smaller towns; everyone should not be needing to contract to the large centres either. So, how do we keep people in those communities and keep them viable?

**The CHAIR:** These are some really important points. Are there any other questions?

**Wayne FARNHAM:** Hundreds.

**The CHAIR:** Hundreds of questions. Can I just ask, and maybe this is for both organisations: how has Aboriginal and older Victorians' experience of homelessness changed in recent decades?

**Fiona YORK:** It has got a lot worse. We are seeing really high numbers coming through the door, more than ever before. And I think a lot of people do not necessarily front up at services. They might not recognise themselves as at risk; they might not know where to go for help. So we are definitely seeing a massive increase in our services. Like I said, we have been around for 40 years. I think when HAAG first started on the Mornington Peninsula in the 1980s, there were something like 900 older pensioners on the waitlist. I mean, you know, that is 40 years change, and we have seen that demand increase incredibly. I think the issue is, for older people, that there are just fewer and fewer options for them, and it is much more difficult when you are older to navigate the system, to be able to deal with change, to move away from what you know. It is harder when you get older – you are not going to be wanting to sleep on the laundry floor anymore; you do not want to be share-housing. All those sorts of things I think are really – it is just disproportionately becoming harder for older people.

**Darren SMITH:** I think it is the same. I think the rates of homelessness across the entire population have basically been growing at about 8 to 10 per cent a year in the Aboriginal community. I cannot tell you if proportionally there are more older people that are experiencing homelessness. I think we can take a note of that and we can come back to you.

**The CHAIR:** That would be great.

**Darren SMITH:** But yes, I think there is a certain, as Fiona was explaining – I agree with what you were saying, that it is more pointy for older people, because there are less options around how they can be insecurely housed, if that makes sense.

**Martin CAMERON:** Is the age demographic of homelessness in the Aboriginal committee at one level? Like, is it our youth, is it the middle-aged? I know you have not got much data on the elderly, but is there one demographic that is worse than others?

**Darren SMITH:** I think it is reasonably well spread out. There are a high number of Aboriginal children that are fronting up to homelessness services – we know that – unaccompanied and as part of family, so there are an incredible number of young people. But I do not feel like I can comment more broadly than that other than to say that we know there are young people leaving care that are turning up in relatively high numbers. We know that there are women and children experiencing family violence that are turning up in fairly high numbers. I think it is around 48 per cent of people accessing specialist homelessness services that say they have experienced family violence and 30 per cent of Aboriginal people say it is the leading cause of why they are fronting up to homelessness services.

**The CHAIR:** Thank you very much. Thank you for your advocacy for some of our most vulnerable Victorians. We know that the housing issue is a huge issue for many across Victoria, but you are you are really advocating strongly for the most vulnerable and disadvantaged Victorians. I just want to say thank you for the work you do. Thank you for the work you have done organising for your presentation today. It has really been a solemn way to finish a very important day of hearings. We are going to be going out to the regions. We will be coming up to Ballarat, so we might even ask BADAC if we could have a look at the homes for the elders, if that would be appropriate. But it is something that will be at the forefront of our minds, so thank you very much. Thank you for making the time to participate. If you would like to provide any additional information or responses to any questions taken on notice, please speak to our Secretariat.

**Committee adjourned.**