

T R A N S C R I P T

LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into the Supply of Homes in Regional Victoria

Colac – Monday 24 February 2025

MEMBERS

Juliana Addison – Chair

Martin Cameron – Deputy Chair

Jordan Crugnale

Daniela De Martino

Wayne Farnham

Martha Haylett

David Hodgett

WITNESS

Penny Hawe, President, Friends of Lorne.

The CHAIR: Welcome back to our public hearing today live from Colac. I will just run through some formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means that 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 so much for making the time to meet with the committee today. My name is Juliana Addison. I am the Chair of the Environment and Planning Committee, and I represent the district of Wendouree, which is central Ballarat.

Martin CAMERON: Hi. I am Martin Cameron. I am the Member for Morwell, down in the Latrobe Valley.

Daniela DE MARTINO: I am Daniela De Martino. I am the Member for Monbulk, which covers the Dandenong Ranges and foothills.

Wayne FARNHAM: Wayne Farnham, the Member for Narracan. I am from the West Gippsland area of Victoria – Warragul and Drouin, around that way.

The CHAIR: So we have a lot of different parts of Victoria represented. Would you mind introducing yourself and making any opening remarks you wish to?

Penny HAWE: Yes. And then I do my slides after that?

The CHAIR: Sure thing. Whatever suits you.

Penny HAWE: In opening remarks: I am here as a volunteer. I have a day job, or a part-time day job – nothing to do with what I am talking about. I am here as someone that just loves Lorne. I have been living there for – we bought the house in 2005 as a holiday house and now it is a permanent house. So I am a typical transition. I am also unfortunately a demonstration of the typical age group, and up, that has to be working on what the community solutions are going to be. One of the things I am going to be talking about is creating that civic infrastructure so that we can make the hard decisions about how to cater for our tourists, our campers and our families, but also making sure that we have got essential services and a school and a hospital to run. So that is kind of where I am coming from.

The CHAIR: Fantastic.

Penny HAWE: Can I get going?

The CHAIR: Yes.

Penny HAWE: Okay.

The CHAIR: Can I just ask: when were you last in Lorne, Wayne? A long time? You need to visit again. Daniela?

Daniela DE MARTINO: One year ago.

The CHAIR: I was there in January.

Martin CAMERON: I have seen it on the map.

Wayne FARNHAM: I think I am with Martin on that.

Visual presentation.

Penny HAWE: That is what the pier used to look like when we had 26 fishing boats going out. We have now finished. We do not have any professional fisherman left, but we do have a historical society, which I am also on, that talks about our history and tries to keep it strong. We have actually only got a population of 1327 people, but we swell – so Pier to Pub we get 20,000 people. When we are thinking about planning, we are thinking about a big horizon and then a very large off-season.

Friends of Lorne used to be called ‘the planning and preservation league’, and then it upgraded its name to Friends of Lorne in the early 2000s. It has been going since 1966. It is a grassroots organisation, so we have got 140 people, and we have been always interested in environment and planning issues. The fact that we have a Swing Bridge, for example, is down to the advocacy of Friends of Lorne because at one point it was going to be levelled. For something like this, as I said earlier, we have got our eye on what full-time residents need, part-time residents, visitors and campers, recognising that our economy is driven by people who do not live in Lorne.

We have been working on housing issues since 2012 with the establishment of the Committee for Lorne. That is made up of three organisations and six individuals. To their credit, they got a little grant from the Surf Coast council that allowed them to develop a thing called *Accommodating Lorne’s Future*, which was a report that was put together in 2022 that started with a process. They hired a fancy consultant. We had focus groups on what we want the community to look like, blah blah, then there were some discussions with people that wanted to buy houses and could not afford houses. Then this particular report investigates options, mostly for new builds on land outside of the town where people were looking for opportunities to rezone. I have to say it is probably because some people on the committee owned some of that land, so they knew a lot about the land that was not being opened up. Also, this report was written by an architect that had his students develop projects on how to build cluster housing and so on. It rehearsed a lot of decision-making and it gave us a chance to see different options, which was good.

But we wanted more community conversations so in 2023 Friends of Lorne organised two lots of community webinars. To give this some publicity, we waited until it was out and then we wanted to also track what was happening in other parts of Australia, particularly things called community land trusts. There was a project up in Southern Moreton Bay Islands where they also are just like us. They are a beauty spot, they cannot accommodate essential workers and they developed a community lands trust, so we had him presenting. We had a woman from western Sydney presenting, an academic on community lands trusts, and we were also looking at different types of options for using existing housing stock. We had 100 people sign up for that, and they stuck with us for the two webinars, which was terrific.

We then had the bushfire royal commission. They came along and scuttled all the options that were outside the town boundaries because we are surrounded by forest. I think the big message that I want to give to you guys is that the takeaway should be that housing solutions have to be tailored to different contexts and ours is quite special.

Next slide, please. I think solutions require creativity and we are going to be asking you to think about places like ours where you need to be thinking about using existing housing stock. For us, 69 per cent of our houses are not used full time so it seems a bit daft to just be thinking about building outside the town boundaries. We need to be looking at ways to use the existing housing stock, not just because it saves vegetation and habitat but because it saves on building new infrastructure. So when I looked at the terms of your inquiry, and I was delighted to be able to present, you used the word ‘construction’ a lot. You are going to be constructing new houses, but you also talk about supply. I want you to think about supply in terms of what you have already got and under-utilised housing that can be brought back into the full-time housing market.

Also for us, because it is Lorne, our median house price is \$1.8 million or \$2 million and it is hard for anybody to buy a house. Fifty per cent of our essential workers, though, would not be eligible for anything that the Surf Coast shire would be able to build with state government support because their incomes are too high. If you are a teacher at the school and you have got a partner working at the hospital, your income is going to be too high

but you are still not going to be able to buy a house in Lorne. That is what got us thinking, and I must admit we were primarily interested in making sure that people would use the existing housing stock.

We found out about a scheme in inner Sydney, which I can talk to you a bit more about, called HOPE Housing. The reason why we are interested in that is inner city Sydney has got the same median price as us, but at the moment they are getting police and essential workers and nurses into houses using this scheme, so we are investigating that.

We also want to be clawing back a proportion of the Mantra. The Mantra is a hotel that is on the foreshore of Lorne. It was actually bequeathed to the state government from a private person. We named the footy oval after him. It was then leased out to the private sector. That lease is going to be up in 25 years, and I think it would be really appropriate for someone to have a long-term horizon and be looking to get a proportion of that back – not all of it, because we know they are our economic future. It is a really lovely place to stay, and some of you who have not stayed there maybe could come and stay there.

The CHAIR: It is beautiful.

Penny HAWE: But it would be a great location for a teacher, a doctor or someone working at the school or whatever, because it is easy to walk to, it is small and it is already there, and the footprint is already established.

The other thing that we can always talk about is putting limits on short-term holiday letting. We have one bloke in town that owns 20 houses, and they are all on Airbnb. I appreciate we need Airbnb because it brings us in the spend. One of the things we have asked the council to do is an analysis for us on a thing called SpendMapp, which is where if you are in town, Juliana, and you use your credit card, we can track your postcode and we can know where you have come from. A repeat postcode spender is probably likely to be someone with a part-time holiday house. We like that, we like them doing that, but if all of the houses go that way we have the trouble that we have got at the moment, so it is a problem. They are the three things that we are investigating, and I can talk to you more about where we are up to relation to that.

Next slide, please. Challenges: as I think I mentioned before, we have to create and maintain civic infrastructure in order to allow community-determined decision-making and the weighing up of options about the different things that we can be doing as a community. What we do not want is the stuff you see on telly where there is someone who wants to build stuff and everybody else just complains. That is neglect on our part for not having designed the community infrastructure that makes us look at the different choices and not doing the different trade-offs before the person comes along with their idea for building. We have got 12 criteria where we thinking about: who the target group is this is going to reach; how long the solution is going to last; what the cost is; what the effort is, paid and volunteer effort; what the number of people assisted is – like, is this something that is just going to help 12 families or is this something that is going to have an unlimited future; the environmental impact is definitely up there – we are a tree-conserving environmental group; and whether it is feasible. Then we also want to look at not just community support but community opposition, because you can have both, and it is hard to just say, ‘We’ve got this.’

Finally, what we particularly like about using existing housing stock is that the essential worker gets to choose which house they want. That is the way it works in Sydney. The person that is eligible for the program has to get a deposit together, and then they have been partnering with the Police Bank. It was actually the police that were first put in central Sydney using this scheme. The Police Bank then gives them a loan and then 50 per cent of the rest of the house is bought by the investors. The investors can be wholesale investors and are usually the employer organisations. I understand they are also engaging in talks with foundations associated with the big hospitals. Through that they have been able to accommodate 26 workers in the last two years.

What I really like about it is that the worker gets to choose the house. We do not build a bunch of affordable housing and say, ‘You all live over here.’ They get to choose. So a single nurse can have a small house and tradie with two trucks and a whole bunch of kids can choose a bigger house. It is a private financing scheme; it is, in a sense, none of my business. But it is my business to try and create it so that they can have those choices. So that is what I mean about being creative. It is hard to create that civic infrastructure. We have been doing it, but when we do do it, we want you guys to be able to recognise it and to recognise when you do not have it. At the moment when people are applying for grants and so on they just get a letter of community support. Well,

that could be anything with a logo on it. How do you know that there is something beneath that tip of the iceberg that is going to guarantee you from bitchy headlines when things start being done or built?

The second thing is fast-tracking. We do not really understand clause 52.2 in the Big Housing Build. We do not know whether it applies to Regional Worker Accommodation Grants, which is what we are engaged with at the moment. The council itself – our own council – have never been involved in fast-tracking before, so they are learning while we are learning. We are trying to do that without creating anxiety or false information.

Finally, in our context, which is the beauty spot that is surrounded by the trees where we cannot build outside, there is a good thing that you have got called the Regional Worker Accommodation Grants scheme, and 50 per cent of that money is state government and 50 per cent of it is a private individual putting it up. But it is actually going to do more harm than good if it has this condition on it that it is only used for essential working for five years. After that it can revert to holiday accommodation in Lorne, which actually just kicks the problem up the road for us. There is a proposal in at the moment. He only has to keep the houses there for five years for workers. We would love it to be 20 years. We think when you are going out and asking communities for letters of support, one of the things you should be asking them is: for what length of time would you like to have conditions on this that make it for workers versus when can it become flexible for retirement or normal families or whatever, or holidays? That is it.

The CHAIR: Thank you so much, Penny. I was just wondering – and I will kick off – how many of your 1327 permanent residents would live permanently in caravan parks? Is this a growing population just because the median price is so high? Have you got a sense of people living in caravan parks because that is the only option and they have been priced out of the market?

Penny HAWE: I do not think so in Lorne. I think the Great Ocean Road Coast and Parks Authority would know. I do not think we have any living permanently in caravan parks, but further up the road in Deans Marsh or elsewhere they might be, but I do not think in Lorne. The hard story for our essential workers is the amount of travel that they have to do, and that also stops them from being volunteers for the SES or the CFA because they are coming from too far, so that makes it really, really hard. At the moment we do have fairly good accommodation for seasonal workers in the caravan parks because the Great Ocean Road Coast and Parks Authority has given them a bit of a discount to be there, and so they have made some permanent places available – well, not permanent; regularly offered places available which then revert to normal camping elsewhere. The seasonal workers are pretty well catered for, but it is more the permanent workers and the people that have got businesses in town. Our post office guy up until recently used to travel from Point Cook to Lorne to run the post office.

The CHAIR: A huge commute.

Penny HAWE: Yes. And then he would talk to me about how much I could save on X or Y. When he left, which he has now, the town was just devastated just because they knew how much he was putting into being in the town.

The CHAIR: Martin.

Martin CAMERON: Thank you for coming in. It is an interesting concept for us to get our heads around, trying to get workers to come to a place like Lorne as permanent residents to get them in – I think around regional Victoria we all struggle with that, trying to get permanent people in – because you are such a niche area. You spoke about the royal commission fire overlay that came in. Are there any other overlays like heritage overlays and so forth that also impact your ability to – not grow the town, I suppose, but develop –

Penny HAWE: Yes, you do mean that. Yes, increase density.

Martin CAMERON: what you want to try and achieve?

Penny HAWE: There are. We have got some heritage overlays, and we have got the neighbourhood character overlays. This report was done by an architect. Lorne is full of overeducated busybodies like me, and this guy is a professor of architecture, this one, and he went and explored all the density options and what you could do for tiny houses, and the New South Wales granny flats legislation, all that kind of thing. So apparently we can now set aside neighbourhood character overlays and put a small unit in our backyards, and it could be

used for a granny initially, but now it does not have to be; it could be used for an essential worker. So we have got that, and that option is there, but it is still not going to help the tradie with two utes and three kids. So that is why we are pushing for you guys and others to think about this – not just the social infrastructure but the financial infrastructure that is needed. We look at committees like yours, and you are often thinking about roads and building – physical infrastructure – because it has been the easiest thing to do since World War II, really, to build houses, but some of these other things that we are looking at require more creative solutions. So yes, we can build those granny flats, and now someone has – I think the state government – made it easier so we can chop down some more trees and do that, but it still does not accommodate the families that want to work at the hospital and want to work at the school.

The CHAIR: Daniela.

Daniela DE MARTINO: Would you have a sense of the number of essential workers who are seeking to live in Lorne and cannot? Do you have a quantity or even an approximate number? I know that is a tricky one, probably, Penny.

Penny HAWE: We have not been able to survey it, so it is only just on hearsay, but probably about 50, and certainly when some of this group decided to try and buy some land and build some houses, they said, 'We'll do 20.' So we could easily fill 20, maybe as much as 50, but doing some modelling and doing some data statistics is one of the things that we have asked the council to help us with, but we have no doubt that if we supplied 20 houses they would fill up very quickly.

Daniela DE MARTINO: Just touching on the small second dwellings, which we have enabled – it was a state government initiative. It used to be a dependent person's unit – you had to prove the dependency of that person on the main family there, and I know because we had one out the back for my parents. Now it is not, so there is no requirement for that, and it can actually be rented out.

Penny HAWE: Yes.

Daniela DE MARTINO: So that is just an option there. I do not know if anyone is using that in Lorne yet to allow, say, a single essential worker.

Penny HAWE: I think we have got one –

Daniela DE MARTINO: Just one?

Penny HAWE: Yes, at the moment. It will help. It will also help with downsizing; the argument that this guy makes is that you move out of the old house and into the little house and all the holiday people come and go, and nanna is out the back. So that actually probably will work, but we still need to look at – I think one of the things we are trying to push is we are not looking for one solution; we are probably looking for about five solutions all at the same time so that we can cater for all the different groups.

Daniela DE MARTINO: That is right, yes.

The CHAIR: Wayne.

Wayne FARNHAM: Yes, sure. Thank you. Thank you for coming. It was interesting – you mentioned earlier that 69 per cent of the homes in Lorne are not used full time, and we have an area over my way, Phillip Island, which is probably very similar to Lorne where I think the population might be about 4000 in winter and 40,000 in summer, so I do understand the relevance of the two. This is a hard space, because you have got 69 per cent of these homes which are privately owned that probably could be holiday homes or whatever they are at the time. How can you see this working, where we can get those existing homes into the market? I know you touched on earlier about longer leases. Do you see anywhere where government can incentivise these people to lease these homes out, or how can you see that working? How can you explain that to me?

Penny HAWE: I think some people can. So with two of the people that are advising us, one of them used to be the chair of the Victorian property council, and he is particularly keen to cut red tape that then maybe removes land tax and reward people for putting their holiday home onto the full-time rental market, say, for about five years. So I can give you a written answer to that. I can go back and talk to him about that and bring back some advice. I know we have got some time to put in our written submission, so we could do that.

Yes, that would be terrific. I also have to say, though, when a lot of those houses do come onto the market that is when we want this other option to open up. We want them to be able to be purchased by full-time residents instead of, at the moment, those properties being bought by other people that want a holiday house. So that is where the transfer into the full-time market could also occur, through the financing.

Wayne FARNHAM: But just on that point, how would that work? How do you limit who can and cannot purchase a home?

Penny HAWE: We are being briefed on this scheme. The scheme is working in New South Wales. Tomorrow I am being briefed. The CEO of that scheme spends the first week of every month in Victoria now, with the hope of getting it started in Victoria. The way it works is there is some kind of not-for-profit – it is called hopehousing.com.au – and you work out a set of criteria on who is going to be eligible to be supported by Hope with this financial scheme. Then once people are eligible they go out and find whatever house they would like, and because they work in inner-city Sydney, they are going to buy something in inner-city Sydney. They have to have already saved up a certain amount of money, they then go to the bank and then the investors put in the rest. We have had it pitched to us as if we were the investors. When you go down to Lorne there are people with an awful lot of money down there that would be interested in terms of ethical investment. Instead of putting their money in something else, they can put the money in something that is going to buy a house for a policeman or a hospital worker or so on.

At the moment, in our conversation with this group, the return for wholesale investors is 10 per cent, which is pretty high. One of the people that made their first inquiry from Lorne ended up investing in the scheme for houses in Sydney, but we actually want them in Lorne. For it to work in Lorne, it would have to work for all of the Surf Coast. So we are now arranging, through the Surf Coast council, a briefing with this group with G21. Because I am an epidemiologist – I know bugger all about finances. I am here as a normal person. Sorry. But you need people that actually are in charge of the investment moneys for, say, Barwon Health, Barwon Education or the councils. My understanding of how it works in New South Wales – from when they briefed the New South Wales state government, which is what we are hoping will happen here; at the moment they are just going to brief G21 – is that the superannuation funds from these public institutions get invested in return for a certain number of places. So for every \$700,000 you raise from investors, you get a house that could be purchased by a policeman or a teacher or a something or other. That is the way it works. I have been talking to them in terms of – I keep saying ‘normal people’ – ‘What about people like me? I have got \$50,000 in the Commonwealth Bank; I could put that in.’ And they said, ‘Yes, but you probably wouldn’t get your return. You’d get it over a long term, but you would probably be better to keep it in the bank for a short term.’ But the big investors would get it, and I think that is worth thinking about.

We learned about it because someone did a Churchill fellowship, and it is on the Churchill fellowship website. They investigated home equity schemes, and then the next thing you knew, the federal government was talking about it. But I actually heard about it through the chair of the Great Ocean Road Coast and Parks Authority, who was interested in it because they run all the services all along the coast and they also have problems with accommodating their workers – but they also have money to invest. So conversations at that level need to happen, and the trickle-down effect for people like me is that our local policemen, our local teachers, our local hospital workers and our business people can purchase the houses that they want instead of them going to another holiday home owner.

The CHAIR: Penny, I have got two questions for you. I am thinking about Mountjoy Parade, which is the main street that runs through Lorne and that has multiple shopfronts on it. What capacity would there be to do above-shop housing, and what would the appetite be with the permanent residents, given that might block other people’s views of the ocean? In regional towns across our state we have got a whole lot of shops and some of them already have existing spaces above them that I think could be really good for infill. Would there be any appetite do you think in Lorne to be able to add on to these shopfronts and create a whole lot of units above shops?

Penny HAWE: Yes and no. I know there is no legal right to a view, knowing that from the VCAT determinations. I think it really comes down to whom they would go, because I understand they tried to do exactly that in Aireys Inlet with the bottom load of shops that are down there on Painkalac Creek. They went a storey above the shops, and they said, ‘We are going to put that in for essential housing.’ Now I gather that it has all become holiday makers, and it is because of these clauses that say it only has to be for five years. It is

daft in these areas to make it five years. You need to make it for a longer period. Then there would be community tolerance for it. I think my problem is people will be cranky about this particular development in Lorne, but they would be tolerant if it was for 20 years, because they know it is helping somebody else, and they will not be so worried about their view.

The CHAIR: And helping the community.

Penny HAWE: They will be less selfish about their view.

The CHAIR: The second point that I am thinking of, and there are very unique demographics of Lorne in terms of the forest as well as the steep, do you call it the escarpment or –

Penny HAWE: Yes, the amphitheatre.

The CHAIR: Yes, and what role would public transport play, because we know that in areas such as down the Great Ocean Road there is not a lot of public transport. Even if we were able to have additional housing beyond Lorne, maybe down Deans Marsh Road or anything like that, is access to public transport an important part of that story?

Penny HAWE: Oh, absolutely. We know there are people in Deans Marsh that would love to develop housing, but the lack of public transport is a really big deal. There had to be a petition to keep the bus going over the summer, and yes, you definitely need more public transport up into those areas because it is just too hard at the moment.

The CHAIR: So that is a real barrier for seasonal workers who may not own a car to be able to –

Penny HAWE: It is a real barrier, and there is real interest in it, yes, definitely.

The CHAIR: Great.

Martin CAMERON: With your targeting of the essential workers, I am interested in whether you have a list of who you need to target as you move through – as you said, like, doctors, schoolteachers and so forth – understanding that if it is a tradie you are wanting to attract to the town, they are going to be a younger type of person, whereas if you can attract a doctor who wants to come in and work four days a week and set up permanent residence, they do not need such a big house to actually store stuff. So I am just interested in who you are actually targeting, because it is a very good point, as you want Lorne to thrive as you move forward, about who you actually have under consideration that you need.

Penny HAWE: Yes. We have not figured that out yet. We do not have a panel that decides ‘you are more worthy than the next person’, which has got a cringy aspect to it.

Martin CAMERON: Yes, I know. But you have got to do that sometimes.

Penny HAWE: Apparently community land trusts do do that. We have heard of eligibility criteria that are being used in relation to that, but for us it depends. If options are developed higher up, for example, like with this scheme that we are going to investigate, if the health services or the education services or the public service were engaged in a scheme that just helped their own workers, then the hospital says, okay, we can support two or three nurses or two or three something, and the school does it and somebody else does it, but we do not have to choose between the school or the hospital or a tradie, because I think that would be really difficult. But if it is done at a higher level. In the old days the actually had their own houses, but they sold them all off. This is why we are trying to solve the problem for them.

Martin CAMERON: Yes, and also you do not want to, on the flip side, take away your guaranteed influx of 20,000 people over the summer period. You still need the stock of housing to get everyone in, because for a lot of your workers at the moment, that is how you are set up.

Penny HAWE: Oh, yes, we do not want to kill the golden goose.

Martin CAMERON: No, that is exactly right, so it is a fine line to tread at some time into the future. Is there a plan around what housing stock you need in the town?

Penny HAWE: Yes. There is a project that we have got called Lorne by Numbers, which is to try and work out exactly that: what threshold of, in some instances, permanent population we need to be able to sustain particular services. The ones that we have particularly got in mind – they are not the delivered services. It used to be to sustain a doctor; these days it is to keep the CFA going or the SES going, so it is about looking at young people coming in. In Lorne by Numbers what we are hoping to do is some modelling. The Surf Coast shire has given us the opportunity to spend \$50,000 towards looking at affordable housing solutions. We have not decided how to spend that money yet, but one of the options could be to do the modelling, to answer your question, and to start to use some evidence in order to solve this.

Martin CAMERON: Thank you.

The CHAIR: Wayne or Daniela.

Wayne FARNHAM: Daniela.

Daniela DE MARTINO: I think I am good, actually, because this has been quite comprehensive. I was just going to ask quickly about CFA and SES volunteer numbers. Do you know where they are at and what the trend is – obviously the trend is not looking good, or you would not be mentioning it, Penny, but –

Penny HAWE: Yes. I cannot give you those figures off by heart, but it was pleas from them at the beginning that got us started.

Daniela DE MARTINO: Okay. So that kicked this off, them saying, ‘We are in trouble because we’re not going to be able to actually’ –

Penny HAWE: Yes. Our volunteer stock – as I mentioned, I am in an age group that does not hold the hoses as well as the younger people, so to speak.

Martin CAMERON: And the current population – where is the age demographic at the moment of Lorne? Is it older?

Penny HAWE: We are older than the rest of the state by about one point something years, and we are getting older.

Martin CAMERON: So you have got to drag that younger –

Penny HAWE: Yes. And this is why we need to have houses that are not just smaller, clustered; we need family houses that can also grow the school at the same time. That is why we were looking at solutions that – Particularly when they said you cannot build outside, we said, ‘Okay, well, here are some lovely houses that could be used already if we could just give people the financing to do that and create a win-win’, but this is early days for us, still.

Daniela DE MARTINO: And just talking about your demographic in Lorne, is ageing in place difficult? Is there anywhere for people who, say, raised the family in the four-bedroom house and now are on their own, potentially widowed, maybe, or single, and are looking to downsize because they want to stay in their community? Is there a lack of that kind of accommodation available?

Penny HAWE: There is. We have only got 16 one-bedroom retirement villages, and you have to be on Centrelink for them. So if you are above that, you only have houses to live in that are quite dangerous, I think, because of the slope – we are all going to fall over – which is why that Mantra solution, we thought, could be quite good, because that is on the flat, and also the one that you were mentioning earlier – being able to build something in your backyard. But yes, we need that, particularly given how much effort some of those people go to as volunteers in the community – and then when they are too old but they are not really old and in aged care, they have got nowhere to live, and we end up losing them to Anglesea and to Geelong. That is where they go.

The CHAIR: Penny, you mentioned the one person owning 20 houses on Airbnb, and you are probably aware that the Victorian government has introduced legislation to apply a 7.5 per cent levy on short-term accommodation of less than 28 consecutive days. Do you think this will have a positive impact on Lorne – that people may reconsider putting their houses up for 52 weeks a year as a lease rather than just short term, or is it just too lucrative?

Penny HAWE: I think they might need more incentive along the lines of what you were asking about than that disincentive. I think they might need more incentive to put it into permanent rental. I think that would be the issue.

Daniela DE MARTINO: And have you got any suggestions on what more incentive could look like? You mentioned land tax.

Penny HAWE: We will get our property guy to advise on that bit. We did find that every single short-term rental should be technically approved by the Surf Coast council, that they should be getting planning approval unless it is a bed and breakfast. If you actually give your house over to short-term, it is meant to be registered for planning approval at the council. We had a discussion with the council about that, and they said, 'Well, if everybody applies, we won't be able to do anything else except give planning approvals to Airbnbs, so don't push that, please, Penny, because we won't be able to do it.' They said, 'Wait until there are criteria we can implement that would then make it useful for us to approve it as opposed to rubberstamping.' That is when your 7.5 per cent will come in. Hopefully when that happens, we might see it, but right now they do not have the resources to implement the policy.

Wayne FARNHAM: Do you think, Penny, something like a discount in land tax to put your property on the long-term rental market instead of an Airbnb or holiday house is a good one for the government to look at?

Penny HAWE: That is what our bloke is telling us.

Wayne FARNHAM: And the longer you have it on here, maybe your land tax can scale down.

Penny HAWE: That is the advice – I am being careful, because it is not my field.

Wayne FARNHAM: That is all right. We might as well develop policy while we are here.

Penny HAWE: I will stick it in the written submission, but yes.

The CHAIR: Terrific. It has made me want to go and visit Lorne again, sooner rather than later.

Penny HAWE: Keep it beautiful and liveable; that is the thing. They should not be in conflict with each other.

The CHAIR: Penny, thank you for your time today. Thank you for the work that you do as a volunteer, the love of your community and your desire to be able to support all aspects of your community, whether it is local teachers, local firefighters or local tradies. We can really see how passionate you are about your community, and we really look forward to receiving your written submission. If there is anything else we think of, are you happy for us to send additional questions through?

Penny HAWE: Yes, please.

The CHAIR: We really look forward to seeing what our recommendations are and how they may benefit Lorne.

Witness withdrew.