



# Grounded

Community Land Trust Advocacy

## Victorian Budget Submission December 2023

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# Victorian Budget Submission

Thank you for the opportunity to submit for budget and governance support to assist Grounded's mission - to provide more community led development (CLD) and therefore **perpetually affordable housing**.

We congratulate the Allan government for the expansion of the Vacant Residential Land Tax, the introduction of the Windfall Gains Tax and reducing land tax thresholds to zero. We expect these factors will **curb the growth in Victorian land prices**, something that appears to be underway.

However, we feel the Victorian community needs another pathway to affordable housing that is **part market, part public interest**. People are coming together concerned that for-profit developers are churning out expensive, poorly designed homes that have little connection to neighbours.

Community Land Trusts (CLTs) offer that potential. The growing UK affordable housing movement is building off the impetus of community groups coming together to provide **locally accountable housing**.<sup>1</sup>

CLTs are a shared equity vehicle where the Trust owns the land and manages this very carefully to ensure access costs do not outstrip wage growth. The Resident only has to borrow for the housing, avoiding the damaging interest costs attributed to the land component. This provides a significant advantage in reducing the **deposit required to just 40% of a typical mortgage**.

Whilst community housing providers are doing a valiant job, there needs to be a for-purpose start up ecosystem to incentivise more communities to come together to make a difference.

The policy reforms covered in this submission include:

- Housing Grants and Subsidies - repurpose towards perpetually affordable projects
- Vic Homebuyer improvements
- AirBnB Locals First Cap n Trade policy
- Property option registry
- Community led development ecosystem
- The potential of Community Land Trusts
- Statutory definition of CLTs
  - Prescribed lease
- Community led exception sites
- Rural exception policy
- Mandatory inclusion's affordable supply to ensure affordability lock
- Planning Section 137 to include planning prioritisation through all stages of government.

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<sup>1</sup> UK CLT Network, [State of the Community Land Trust Sector 2023](#)

- Planning flexibility - 40 hectare rule advantages large landholders, whereas medium sized farms could host affordable farm pods.
- Future concerns
  - Property Data barriers to analysis
  - Feudal fractionalisation
  - Water rents

Whilst the various state land reforms announced have a **dampening effect on prices**, we are concerned that the commodification of property will still continue ahead due to national, local and financial incentives. There is still more work to do at the state level.

## Inflationary Effect of Current Policies

As floated in the press, the [axing of the First Home Buyers Grant](#) is being considered by Treasury. We support this as sound economic policy and hope that the other major state demand side incentive, the Stamp Duty Discount (SDD), will also be culled.

It is almost an article of faith in property circles that the FHBG and SDD are making a difference for first home buyers. The Victorian SDD program began in 2011 with a budget of \$180m. **SDDs blew out to cost \$884m** in 21-22, before falling back to a forecast \$595m in 23-24.

After 8 years, Victoria's \$600,000 SDD **pricing threshold was forced to increase** to \$750,000 (2019-20). It is expected this threshold will need another increase in the near future, forcing FHB's to save beyond **\$200K just for a deposit**. It is no surprise that developers in Master Planned Communities have kept their prices in the vicinity of the SDD threshold.

A follow up point that Treasury should push to the Federal level is the ability of finance to include FHB Grants as income. Such grant based income must be **excluded when considering home loan eligibility**. Some have anecdotally noted that a \$10,000 grant is ramped up to \$30,000 in extra borrowing power. This adds unnecessary inflationary pressures to the housing market.

The Victorian Homebuyer Fund also falls into the growing trove of policies that address housing *accessibility* rather than *affordability*. Allowing just a 5% deposit will add to **upward pricing pressure**. The \$1.1bn injection will assist accessibility, but we are concerned that this subsidy is **lost to the open market** when the property is sold. Yes, government recoup its investment back, but only after the site is sold at a higher market price, forcing the next generation of FHB's to dig even deeper.

The recent announcement of Regional Development Victoria's [Key Worker Affordable Housing Fund](#) again shows a similar transitory approach where best practices in affordable housing are minimised. There is **no defined affordable housing price point**. There is only a 5 year requirement to provide affordability. A CLT mechanism would instead provide clarity and provide much needed long term affordable housing supply.

The belief in supply side approaches is that any new supply will continually push prices down. However, with no definition of affordability outlined, this program can again fall foul of rentier rorting. The project outline calls for the ‘need for government support and **value for money**’. However the housing only needs to be affordable for just five years. No clarification is provided as to whether this is **affordable ownership or rental**. We would expect the 5 year window will favour ‘affordable’ renting, and then be sold off to the **highest bidder** after that.

Victorian taxpayers should demand better outcomes. Any affordability project must have **long term affordability embedded** in the project. A definition of 30% of income to housing cost must be employed. Scope for the perpetually affordable project to fund more affordable housing should be encouraged so that **taxpayer returns are maximised**.

As part of the state’s land reform agenda, we propose that a **property option registry** be adopted. For too long analysts and pundits alike have faced opaque barriers to understanding what options have been signed and the resulting profits that result. NSW has had such a registry in operation since 1997.<sup>2</sup> A property option registry makes a logical accompaniment to the Windfall Gains Tax.

## Emerging Community Led Development.

A growing international trend is seeing communities coming together to solve housing problems that profit-driven developers cannot. After years of enduring poorly built homes **more suited to shareholder returns than local needs**, with ‘master planned communities’ featuring just one exit road, concerned individuals are coming together to provide much needed competition through for-purpose developments.

We believe that the Victorian government should continue its drive to deliver better outcomes for those who haven’t aced the land game. The money spent on FHBG, SDD and the Victorian Home Buyer fund should be **segued towards a Community Housing Fund** to assist the nascent community-led development sector.

Accompanying this should be a desire to enable greater flexibility in who can access government funding streams.

Assistance could be provided by simplifying the process of becoming a Community Housing Operator. Community led housing could be driven by local communities that are administered under CAV, the ACNC, and with **further oversight provided by the ATO’s PBI DGR status**. If certain affordability outcomes can be met and are recognised in a community led organisation’s constitution, then assistance should be enabled.

Importantly, such a widening of the affordable housing mandate should ensure that any future sales have **an affordability lock on price**. This means that a legal covenant is placed on the

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<sup>2</sup> Revenue NSW, [Change in Beneficial Ownership](#).

sales price such that prices could not increase faster than the median wage growth for the area.

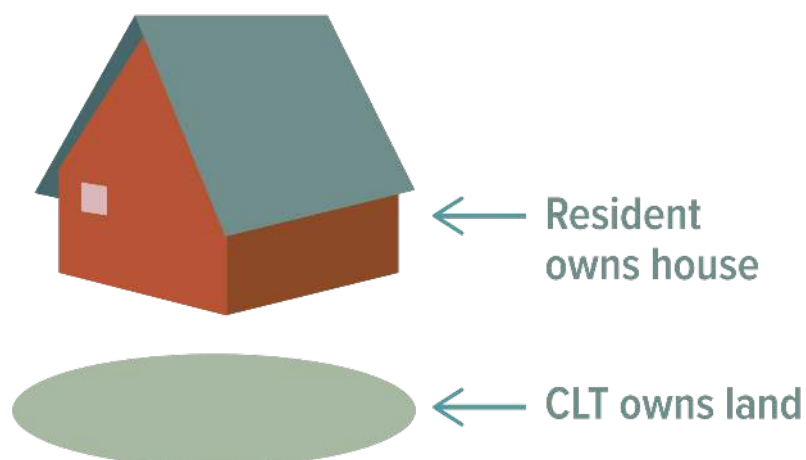
The benefits of social and affordable housing are significant and until recently have been unmeasured. The new Social Housing and Green Measures for Affordable Housing (SIGMAH) calculator [quantifies the health, policing and community services savings](#) that such housing can provide. They found a benefit of \$27,500 per year over 40 years. This indicates that overall government expenditure can be reduced when stable housing is provided. These metrics must be more closely assessed when making budgetary allocations.

Building on this, the University of [Washington's Health Olympics](#) compares UN indicators on life expectancy, health spends per GDP and inequality. It finds that inequality is the driving determinant of health outcomes.

From this we advocate that **Community Land Trusts are a housing vehicle Victoria urgently needs**. They operate with a pricing lock that ensures land costs do not outstrip wage growth. With the separation of land from housing under Torrens Title now easier thanks to the Ground Lease Model work, we feel it is time that Spring St supports the potential of CLTs.

## What is a CLT?

A Community Land Trust is a body established to maintain perpetual affordability of land and therefore housing. The resident owns the house, whilst the trust acts as a custodian of the land.



This is managed by a tripartite board made up of 1/3 residents, 1/3 neighbours & community minded people and 1/3 civics (retired MPs, academics). A strong constitution ensures that the **privilege of land ownership is recognised and acted upon** to ensure that once project costs are paid down, land leasing fees can **assist the funding of more affordable housing**.

The financial structure behind the Trust is that the land is leased by residents, based on a percentage share of the annual municipal site valuation.<sup>3</sup> The leasehold fee rises slowly in time in accordance with wage growth.

At the point of sale, a capital gains like tax, called a resale formula will see some 60 - 75% of **the gain shared with the Trust**. This suits the liquidity requirements of both the Trust and resident.

A third oversight factor can be incorporated by ensuring any sale price is set at **30% of the median area income**, capitalised over 20 years.

The combination of these 3 payment structures act as **an affordability lock**, ensuring that any philanthropic or government funding is not lost, and is instead recycled back to the common good.

We see it as a matter of urgency that **any affordability program incorporates some form of affordability lock** in order to ensure a public interest outcome occurs over time. The market power enjoyed by property holders is so alluring that trickle down housing supply will rarely occur.

While **Build to Rent** was initially touted as a long term structural fix for both affordability and security of tenure in the rental market, the reality is that this model is delivering neither. BTR is proving to be predominantly a high end luxury housing product targeting professionals. Tenants in a Fitzroy BTR were shocked as 12 months of expected long term, stable renting was nearing. **33% of tenants faced either a 9-17% rent increase, or were evicted**, according to media reports.<sup>4</sup> This is just what we have witnessed in the northern hemisphere.<sup>5</sup>

This will be disheartening for renters who had hoped such supply would deliver stable housing. There are many who would love to move into stable affordable housing.

A **minimum occupancy rate** calculated monthly would ensure such rental supply is putting downward pressure on rents. The high eviction and rental increase rate in the Fitzroy example above requires further investigation, but perhaps **a maximum tenant turnover rate** would lock in stable supply for longer, curbing the ability to charge higher market rents to new tenants. Any government planning concessions for BTR developments should have mandated affordability and tenure security locks to ensure they deliver public benefit.

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<sup>3</sup> A number of potential CLT models are available that ensure the stewardship of land over time.

<sup>4</sup> C Kelly, [Build to Rent? The Melbourne apartments where tenants are getting kicked out or face 1/3 rental increases](#), The Guardian, 11 November, 2023.

<sup>5</sup> R Burns, [Try Renting from Wall St](#), 2018

Much of this missing housing supply is for low to moderate income earners - **the missing moderates**. Interventions that specifically target this cohort will reduce the growth in demand for social housing, homelessness services and affordable rentals. Options such as CLTs will help to stabilise local housing markets and ensure that essential workers have access to housing in suitable locations.

CLTs will assist the missing moderates by **reducing the deposit gap**. By only having to borrow for the improvements (i.e. dwelling), a CLT resident may only require a deposit of \$50,000 instead of a \$150,000 deposit. This will help to reduce local rental pressure, with missing moderates who once could afford their own homes with a \$50,000 deposit, now able to enjoy **security of tenure**.

CLTs deliver a significant **3:1 return on investment** in the UK when health, wellbeing and income distribution benefits are factored in over 30 years.<sup>6</sup> With less spent on land, there is more headroom for development **designed for our climate altered future**. This could include a fire bunker in bushfire prone regions, or hurricane proof housing.<sup>7</sup>

The UK CLT Network has helped facilitate the growth of CLTs from just a handful to 587 - just since the GFC.<sup>8</sup> Similar growth is happening in the US, with major donations from super philanthropist Mackenzie Scott adding to the impetus.<sup>9 10</sup> In Australia, there are numerous groups working to establish CLTs. With a few minor changes to housing policy, we could see the establishment and accelerated growth of the CLT sector **within a few short years**.

The nature of the CLT model sees **the development cost shared** between funds raised by the Trust (often via government and philanthropy) and the resident (via mortgage). This delivers a **scalable return for government investment** that operates in the knowledge that any future property sale has an affordability lock in place. The affordability lock is ensured with a triple check process. The CLT formula can include a monthly land lease, a resale formula (with an agreed split in gains between Trust and seller) and a legally enforceable covenant that limits prices to 30% of the median income earner in the region. **One government subsidy can assist a lifetime of affordable housing**.

This compares to government run shared equity programs that rely on selling to the open market to recoup the 20% equity lent to the home buyer. The new buyer is required to enter at a higher price, potentially requiring **even higher government subsidy**.

Community Land Trusts (CLTs) and community led housing projects can also provide a much more effective way to **incorporate local factors** seen as essential to that location. Such connections have the potential to inspire contributions from philanthropists as well as local

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<sup>6</sup> Colquhoun, C. [Housing by the Community. For the Community](#), 2022

<sup>7</sup> Applegate, A. [CLTs are Building Disaster-Resilient Neighborhoods](#), 2022

<sup>8</sup> UK CLT Network, [Policy & Vision](#), 2023

<sup>9</sup> Cohen, J. [Mackenzie Scott Gives \\$10m affordable homeownership in Seattle](#), 2023

<sup>10</sup> Menderson, J. [Historic Contribution](#), 2023

MPs. This compares to government run shared equity programs that struggle to capture the heart and soul of a community.

CLTs offer the government and the Australian public the **most cost-effective affordable housing model available**. Our modelling suggests CLTs provide competitive returns on investment in terms of public investment, affordability and social cohesion. Unlike demand-side subsidies such as the First Home Owners Grant (FHOG), any initial government subsidy to establish a CLT is retained within the CLT structure and **the benefits remain available for future residents**. CLTs have a proven track record overseas, particularly in the US in relation to their robustness during the Global Financial Crisis (GFC).<sup>11</sup>

Grounded needs your support to enable faster uptake of CLTs via:

- Prioritising CAV development of our upcoming CLT **Prescribed lease**
- Working towards a **statutory definition** of Community Land Trusts
- Supporting a CLD **start up fund** - possibly funded out of the Air BnB Cap n trade policy
- Reforming the following planning issues.

## Planning Related Affordability Issues

There are a number of key planning reforms that will assist the for-purpose development industry. These include:

- The Development Facilitation Program - lowering of threshold
- Community led exception sites
- Rural exception policy
- Mandatory inclusion's affordable supply to include affordability lock.
- Planning Section 173 to include planning prioritisation through all stages of government.
- Planning flexibility - 40 hectare rule advantages large landholders, whereas medium sized farms could host affordable farm pods.

The new [Development Facilitation Program](#) must prioritise CLT developments rather than just standard profit driven developments. Further improvements include **a lowering of the CBD threshold** from \$50m to \$20m projects - if they include significant affordability locks in place. For regional, this should come down to **\$5m**.

The related **Planning section 173** should also be streamlined to be less onerous for the ethical landholder. Any project that attracts council support based on identified local housing

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<sup>11</sup> Thaden & Rosenberg, [Outperforming the Market - Delinquency & Foreclosure in Community Land Trusts](#), 2010



needs should be prioritised in a housing market enduring a Mexican standoff such as at present.

With many land banks on the edge of towns held via **property options**, alongside strategic land banks held by both property speculators and for-profit developers, the UK have developed an innovative approach by allowing **Rural Exception Sites**.<sup>12</sup>

Rural Exception Sites are sites that are on the edge of a settlement, where a local CLD group has come together and won over the landholder for **an affordable housing project**. With the public interest to benefit, the planning mechanism has allowed flexibility for such sites to be rezoned to residential. This helps the public access land that has not been **snapped up by rentiers**.

A corollary to this has been the development of **Community Led Exception Sites**. These are similar in nature, but can be located within town boundaries, such as brownfield sites. They often have a mixed use aspect to their development.

Regarding **Mandatory Inclusion**, we fear that affordable housing projects will be used to greenwash profit driven projects. There needs to be strict liveability standards and affordability locks embedded into the program. Affordability should be maintained over the long term and include a multiple of 30% income as a determinant. The pressure to maximise profits results in affordable housing projects regularly receiving the worst located land in such a development. It is incumbent that government ensures that those with the highest social (and often political) need are not forced to accept the worst location due to their desperation.

Planning flexibility in regard to rural subdivisions must also be considered. Why do planning laws support large landholders wanting to subdivide, whilst deterring smaller, perhaps more ethically minded landholders? We propose that the subdivision laws be amended to support **small and medium sized landholders** that sign a Section 173 planning amendment that include an affordability lock.

We accept the positive moves to enable seasonal farm workers on large farms with the amendments to the rural worker on-farm accommodation.<sup>13</sup> However, in a market with such **tight vacancies, the seasonal aspect** should be loosened under certain circumstances.

Following this, we would like to see more flexibility for **affordable farm pods** to be permissible on Victorian FZ land. A greater balance between the preference for regional hobby farms over **affordable farm land** should be investigated with the potential for local councils to allow Rural Exception Sites.

Why are **depressed horses** prioritised over localised food production and the affordable farm pods needed to house long term staff?

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<sup>12</sup> UK Ministry of Housing, [Housing Needs of Different Groups](#), 2023

<sup>13</sup> M Thomas, [New Farm Accommodation Boost](#), 2021

**Affordable dwelling pods of 3-4 homes** should be encouraged to ensure farm based labour has a long term commitment to the land. Permaculture principles allow small scale farming to be more productive. There is a widespread move towards regenerative farming practices and holistic land management. This includes a growing number of farming collectives and cooperatives where multiple small farms are colocated.

With **greater off-grid capacity** provided by solar, water and septic technology, the strains on local council resources have reduced. This could enable greater food security with affordable farm pods helping to reinvigorate the demographic potential of regions. Such planning permissions could be limited to a few kilometres from an arterial road. Council rating revenue would increase and housing could be provided without rentier middlemen extracting their toll.

Consideration of the applicability of CLTs and Rural Exception Sites to **Aboriginal and Torres Strait Islander owned land** could offer land councils and corporations a way to provide the benefits of home ownership to individual community members while also retaining shared ownership of land assets.

#### Locals First - AirBnB policy

Rural Victoria has grown at 0.8% to the city's 3% over the decade to 2018-19.<sup>14</sup> The disparity between the rural - city divide is the second worst in the nation in terms of share of GDP.<sup>15</sup> The growth of AirBnB's in recent years will **accentuate this divide** significantly.

Communities need some say on what **a reasonable percentage of visitor accommodation** is in their community. For too long we have let the market decide. The results for those who may have missed out on the property game have been harrowing.

The increasing mobility of capital, alongside the professionalisation of property management, property styling and property apps has seen rapid change thrust upon many Victorian communities. When short term rentals (STR's) are added to the pressures of holiday homes in **curtailing the supply available to a community**, the impact on housing requires a serious change of perspective.

AirBnB returns are significantly outperforming the rental market, incentivising investors to switch supply into this unregulated field. *"When compared to a long-term rental on Domain.com.au for a similar property advertised at \$700/week, the MadeComfy property outperforms by 60.1% in the six months to March 2023."*<sup>16</sup>

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<sup>14</sup> T Rawsley, [Economic performance of Australia's cities and regions](#), 2019

<sup>15</sup> Ibid, p11

<sup>16</sup> Made Comfy, [What is the Earning Potential on Sites like Air BnB](#), 2023

As long as the market can deliver higher returns via short term holiday letting, these properties are **highly unlikely to return to the long term private rental market.**

Victoria's AirBnB levy, whilst admirable for innovating outside of the 60 day cap on STR's, **will be passed onto tourists.** Such a levy will however have a slight impact on the site's land value.

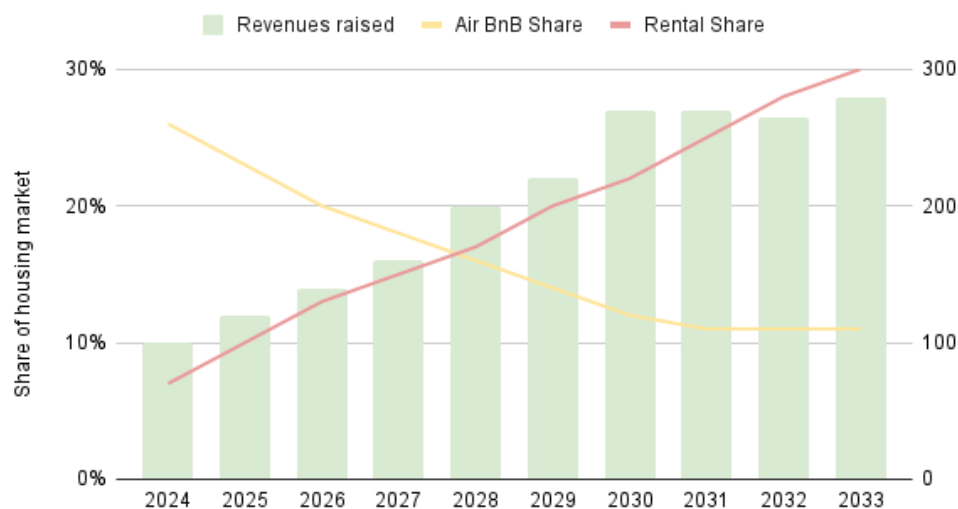
Government must recognise that AirBnB returns have had a significant impact on rental supply, particularly in tier 1 tourism towns. The state government must mobilise to enact planning law that **prioritises the rights of local communities first.**

The Locals First policy would develop a **Long Term Rental supply objective** compared to the present situation. A three year median of rental supply pre-2015 is to be calculated (when AirBnB came to prominence).

As an example, the typical proportion of rental dwellings is about 33% of all homes. This would be compared to the current supply of rentals, where in Daylesford long term rentals are **just 33.3% of AirBnB supply.**<sup>17</sup> Of total dwelling stock, they are 16.2%, **about half what they should be.**

A pathway would then be drawn between the two, aiming to return long term rental supply near to where it was circa 2015, relative to population growth.

Locals First Air BnB Transition



<sup>17</sup> Daylesford, [AirDNA](#) and Census Quickstats. Please note that the Dept of Families, Fairness and Housing's Rental Report has only 37 rental properties listed. Why is there a 287 dwelling discrepancy when this is meant to be the best measure of rental supply?

Victoria would be required to create **a zoning for short term rentals**. This STR zoning right would be *auctioned off*. The revenues would be hypothecated towards housing - preferably in the CLT sector.

Over time the amount of STR zoning rights would be **tapered downwards**, inferring that more stock would be freed up for rental. By doing this over time, AirBnB investors will have time to switch their focus. A related precedence exists in Sao Paolo, where the auctioning of development rights occurs.<sup>18</sup>

We feel this policy would have **a more immediate impact on rental supply** than an AirBnB levy. Many tier one tourism hot spots only require a 50% occupancy rate to make a 300% return on the long term rental market. Similar outcomes are occurring in tier 2 towns such as:

- [Ararat](#) - \$100K revenue per STR dwelling, 58% occupancy
- [Greater Shepparton](#) - \$56K revenue, 63% occupancy
- [Ballarat](#) - \$48K revenue, 58% occupancy

Many of the smaller affected markets do not have suitable hotels nearby that could outcompete an AirBnB, undermining the effectiveness of the AirBnB levy.

Some oversight is necessary to measure **the extent of market power enjoyed**. It appears there are two cohorts of AirBnB landlords - those that own 1-2 properties and those that own 10+.

In Colac Otway, Great Ocean Road Holidays manages 153 out of 916 STRs - 16.7% of the market.<sup>19</sup> In Barwon South West, Great Ocean Road Holidays manages 450 STRs - 20.9% of the market.<sup>20</sup> The parent company behind Great Ocean Road Holidays is Allogio Group.<sup>21</sup> They are based in Newcastle and have **significant STR interests up and down the east coast**.

The Locals First policy delineates the problem in black and white and provides a **clear pathway back towards long term rentals**. Tourism towns deserve the right to ensure the long term survivability of their town. The number of AirBnB sites must be capped and traded to ensure a fairer distribution of housing assets occurs in communities that bring great joy to visitors.

## Future concerns

As the **affordability pressures intensify**, more shared equity projects will enter the market, prioritising housing accessibility over affordability. The likely stepping stone into housing ownership is potentially via first home investorship. We cannot let this become commonplace.

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<sup>18</sup> Davis, R, [The Benefits of Auctioning off Development Rights](#), 2021

<sup>19</sup> Inside AirBnB, [South West Coast](#)

<sup>20</sup> *ibid*

<sup>21</sup> ASX Announcement, [Allogio Acquires Great Ocean Roads Holiday Homes](#), 2021

We have particular concerns about the **inflationary impact of property fractionalisation** like [BrickX](#). Feudal fractionalisation will result as prices keep heading northwards. For further insights on our concerns, including the **potential for multi-generational mortgages**, please read our Housing and Homelessness submission.<sup>22</sup>

## Property Data Gold Rush

Victorian taxpayers are not privy to the commercial arrangements of the Valuer General selling property valuations to multi national companies like CoreLogic. With the prevalence of geo-spatial analysis, we find it concerning that such property data is **resold for exorbitant prices**. This has resulted in the potential of public interest analysis being seriously curtailed.

It is not uncommon for a data pipeline to be built and a single spreadsheet with 300 rows of data to cost \$3,000. What is concerning is when the cost for this increases to \$4,000 the next year, even though the same data has been requested.

We invite **a public interest concession be introduced for housing affordability analysts**. This should be part of any licensing deal.

It is also worth noting that these are significant economic rents being charged. Should public data be re-sold at prices that **enforce a barrier to analysis?** With algorithmic cartels demonstrating the ability to **reduce housing supply by 48.7%** in a number of weeks,<sup>23</sup> it is time government levelled the playing field for housing analysts to detail what is occurring on the ground.

## Water rents

Mineral springs are the basis for a number of regional towns' tourism culture.<sup>24</sup> AirBnB investors from all over the country have been making a fortune from the mineral springs folklore in towns such as Stanley, Musk and Daylesford. Such communities should be **receiving a dividend** from these resources. At present, water utilities claim only **0.64 of one cent** from water harvesters. These are publicly owned resources where the community deserves a fairer return.

With wholesale mineral water likely selling for 50c a litre, this is a significant mark up, **indicating that monopoly rents are present**.

We believe the Essential Services Commission needs to review the pricing from a monopoly rents perspective. Companies like Black Mount Spring Water are **paying in the thousands of dollars, but raking in the millions**.

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<sup>22</sup> Grounded, [Housing and Homelessness Submission](#), 2023.

<sup>23</sup> K Fitzgerald, [Staged Releases: Peering Behind the Land Supply Curtain](#), p6, 2022

<sup>24</sup> Hepburn Shire, [Mineral Springs](#)

**A resource rent should be charged** for access to Victoria's mineral springs water. This revenue should be hypothecated **between affordable housing and health costs** in that region. It would help rebuild the social contract if the communities affected by all day trucking were to receive some return for the inconvenience of traffic, pollution and gear crunching noise. A closed loop mechanism will help offset local concerns.

We encourage the government to ensure that data collection of groundwater depths be made public. This should be part of the licensing arrangement with water utilities such as Goulburn Murray Water providing the necessary oversight. DEECA should make **water harvesting practices more transparent**, and ensure that water harvesting revenues are sufficient to fund effective water table monitoring. What is happening to surrounding springs once bore licences increase in an area? Are data points monitored for bore depth extensions?

Victoria should review its concerns with the Murray Darling Basin on this basis of water rents. We need a better understanding of water trading licences, how long they are held for and **what economic rents are received**. With many anecdotal reports occurring of real estate offices being replaced by water trading offices, the fervour is there. But who would know? What data is available in this space? The ABS should detail much more thorough data points highlighting the asset value and capital gains possible. The ATO on the capital gains present.

The Essential Services Commission should be tasked with reviewing all the services it presides over in terms of the existence of monopoly rents.

## Conclusion

In conclusion, the housing crisis has challenged many families and their communities. Their freedom to choose appropriate housing can no longer be left to for-profit developers and the ineffective policy levers they lobby for.

We urge government to be bold in adopting the course correction levers that enable housing security to be a universal right for current and future generations.

### Contact

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