

# TRANSCRIPT

## STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

### Inquiry into the public housing renewal program

Melbourne — 15 February 2018

#### Members

Ms Margaret Fitzherbert — Chair

Ms Nina Springle — Deputy Chair

Mr Joshua Morris

Mr Daniel Mulino

Ms Fiona Patten

Mrs Inga Peulich

Mr Adem Somyurek

Ms Jaclyn Symes

#### Participating Members

Ms Georgie Crozier

Mr Nazih Elasmr

Ms Colleen Hartland

Mr Gordon Rich-Phillips

#### Witness

Ms Martina Macey.

**The CHAIR** — Welcome this afternoon. Thank you for coming along. We are hearing evidence today in relation to the inquiry into the public housing renewal program, and the evidence is being recorded. All evidence taken at this hearing is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, those comments may not be protected by this privilege. We have received a submission from you, which I think people have read. Did you want to make some comments in relation to it to open up, or would you prefer just to go straight to questions? We are in your hands.

**Ms MACEY** — If everybody here has read it, you might as well just shoot me with questions. It is quite simple. I am basically what it says: I am a community housing tenant, and I have been one now for 18 years. I do have relatives who live in public housing, and the differences are quite different, the way that community housing tenants are treated, for starters. There is no guarantee that the rent will stay at 25 per cent. My housing provider charges 30 per cent on some of their buildings, unlike public housing. For example, under the Residential Tenancies Act you are not allowed to put up the rent under every six months. If you live in public housing, if you have someone move in or you have a baby or you get a job, you tell public housing that it has happened, and they wait until the six-month period to put it up. With community housing, they put it up instantly. For example, it happened with me. My child turned 18, the month after the rent went up. They turned around and said, ‘No, found a policy. Your rent has to go up’. I explained to them, ‘Six months you have to wait’. I said, ‘Well, I’ll take you to VCAT’. They turned around and said, ‘Go ahead. We’ve won every time in this case. Don’t even bother’, which is intimidation and bullying. I took them to VCAT and won, and I have told other tenants if they say it do not believe them, to take them to VCAT, it is worth the time and effort. But the problem is the time involved in sending off the paperwork et cetera that people do not really want to do, and my housing provider knows that, and that is what they play on.

That is not the only bullying that they do — for example, if they decide that they will target you. I stood up for an 80-year-old tenant because the tenancy worker had decided that at 80 she needed to downsize to a one bedroom and was really nasty. I said, ‘You can’t speak to an 80-plus-year-old tenant like that’. She said, ‘I can do what I want’. She then targeted me where they come and inspect your property, a housing inspection, which they are only allowed to do once every six months. She restarted it and sent me a notice by certified mail. She turned up. I said, ‘Look, you’re breaking the law. Sorry’. She did it a second time. I signed for it. She turned up again. The third, fourth, fifth, she turned up. With the sixth notice she sent, I just sent it back to them. She took me to VCAT, which of course was then complete BS that she said. I then got in contact with the then CEO and told her what she had said and suggested she get the transcript of the meeting. I said to the CEO, ‘Excuse the French, but if that f. b. ever comes near my house in the next six months I will not be liable for my actions’, and she left the job a week later. It was bullying and intimidation, and in that time she had said, ‘Well, if you don’t let me in the property I’m going to ring the police’. She actually had her mobile phone with the phone number. I told her to go for it because it was a tenancy issue, and I laughed at her. They are the sort of things. The CEO said, ‘If you took it the wrong way, it’s your fault, not ours’.

These are the sort of things, bullying tactics, that community housing do to tenants. A lot of them are afraid of being evicted, afraid of being made homeless, so they will not stand up and say anything against their provider. Me, I do not care either way, only because someone has to be the first one to say, ‘Look, you can’t do it anymore’.

Community housing have got enough. My provider has got \$85 million worth of property in a trust, where 95 per cent of that came from the local council and/or transfers from Martin Foley’s portfolio — and they are still demanding more. They have got millions of dollars. We have major maintenance works that are required in our property, that are tripping hazards. Others have had one that has been like that for three years. Funnily enough, they have not had money for it but they have had money for five new workers in the past six months — office workers, middle management — but they have not got enough to fix tripping hazards that lead to people’s units.

**Ms SPRINGLE** — Can I ask which organisation you are referring to?

**Ms MACEY** — Port Phillip Housing.

**Ms SPRINGLE** — Okay. Thank you.

**Ms MACEY** — It was initially started by Karen Barnett back in the 80s under the name of St Kilda Housing — a lovely lady. She was at the beginning very easy to access but towards the end of her reign she put people around her so that you could not speak to her.

**Ms SPRINGLE** — She is not there anymore?

**Ms MACEY** — She retired a couple of years ago. Haleh — I cannot pronounce or remember her last name — is now the new CEO. I have not met her so I cannot comment on anything. But I do know that she was involved in the Loddon Mallee merger, which was two community housing providers that merged several years ago. She is also the chair of the Community Housing Industry Association of Victoria.

**Ms SPRINGLE** — Thank you.

**Mr MULINO** — Thanks for making a submission and coming in today. We are obviously talking about a range of issues in this inquiry, one of which is a proposed model for renewal of some public housing. What do you think about the current state of a lot of the public housing and the estates under question? Do you think it is in need of urgent renewal?

**Ms MACEY** — It is in need. But governments are throwing millions of dollars towards community housing groups which obviously do not require the money — for example, Martin Foley recently set up a \$100 million thing that can be used as guarantors for community housing groups to get bank loans. Well, Port Phillip Housing have \$85 million of buildings in a trust. They have got enough property to leverage loans. They do not need the government's \$100 million there. Why is the government throwing money at community groups where they are not going to own the property, when they have got properties that need to be rebuilt, need to be fixed, and this money can be used on the estates to rebuild? We have got 35 000-plus on the public housing waiting list, and for him to sell off 80 per cent of the land for private use — and then there is a good possibility that the other 20 per cent will end up as community housing, which ends up 100 per cent privatised — is wrong, especially when all these lands were purchased under the slum reclamation act that started in the 1930s right through to the 1970s. They were purposely purchased for public housing, not for the government to plug budget holes down the track.

If they have got the money to throw at community housing groups, then they have got the money to build and repair stock that they have got instead of selling off properties like they are doing. I know that towards the end of last year there were five homes in Geelong that were sold off by the ministry of housing. There are also several homes in Garden City, Port Melbourne, which is Martin Foley's electorate, that are on the list to be sold off. Back in the 1950s these were homes that were offered to their then tenants to purchase. Half of them were not purchased by the then tenants; the other half were. Some are semidetached to private owners, and the ones that are still public housing that are still attached to private owners are being sold off one by one. Some are one bedroom and some are three bedrooms, and they need these houses. Especially with the one-bedroom houses, there is enough land on a lot of them where they can put a granny flat at the back and still have enough backyard or front yard space for the front house.

**Mr MULINO** — I am just curious in terms of the various models we are looking at. What do you think about a model where you get a mix of public and private? Obviously it would have to be the right mix, but do you think that can work to the advantage of residents?

**Ms MACEY** — What you need is a mix of workers with low-income people. You have got workers like the police, nurses, fire brigade — those sort of workers who are being out-priced in the centre of Melbourne and in the surrounding areas, like South Melbourne and Port Melbourne — and teachers. Their pays cannot afford the rent, so these people are moving out to the suburbs and having a two-hour drive in to teach our children — or our grandchildren, depending if you have either/or — in the areas. They are doing a four-hour round trip just to do it. The model would be great if you had half and half — half welfare recipients and half teachers et cetera living in these buildings, because they need the housing as well.

**Mr MULINO** — I agree. It is an interesting situation you raise. My last question is on that point about teachers and nurses and people in that situation. Part of the solution for them is going to be more supply in the places they want to live, presumably.

**Ms MACEY** — Exactly. But the problem is that if the land is sold off now there is no way that any successive government is going to be able to repurchase that land again, especially the amount of land that we have. The only land that they will have left is the towers. I know Park Towers, which was built in 1967, 1968, is 30 floors of one, two and three-bedroom units. There are 300 units there. There is no way that public housing can rehouse them to bulldoze it to rebuild, especially if there is no land to build on because the land has been sold off or handed over to community housing. They cannot house people.

**The CHAIR** — You mentioned earlier some land in Port Melbourne, and I think I know where you mean, but can I just clarify where that is? You said there are some units, or some homes, that have been sold and others that are being sold. Where are they?

**Ms MACEY** — They are actually units around Garden City.

**The CHAIR** — Yes.

**Ms MACEY** — Between Howe Parade and the beach. It is that area. It is not the bank houses, but it is that area.

**The CHAIR** — That is where I thought you meant. And there are some of those —

**Ms MACEY** — The bank houses were initially built by the State Bank. When they stopped building down there, that is when the then housing commission took over and built there. That was actually swampland that they built on for those houses. My father grew up in that area, so that is why I know a lot of the history of public housing down there.

**The CHAIR** — Did you have a further question? It sounded like you were about to ask something?

**Ms SPRINGLE** — No. If I was, I cannot remember what it was. It might come back to me.

**Ms MACEY** — Do not worry. We all have those blonde wannabe moments. Sorry, I could not resist that!

**Ms PATTEN** — I have just got a couple of questions. It is my naivety, but in your community housing complex what percentage of residents would be working compared to pension or welfare recipients?

**Ms MACEY** — There are 16 units, and I would say there would roughly be a quarter. I had not thought of it. I had not really sat down and thought about it.

**Ms PATTEN** — Which is actually a nice thing — that you do not. There is that mix. You are all neighbours.

**Ms MACEY** — It would not bother me if they were all on welfare or all workers. It is irrelevant to me. A neighbour is a neighbour is a neighbour.

**Ms PATTEN** — Yes. A good neighbour is a good neighbour.

**Ms MACEY** — Yes. One of my neighbours just happens to also be my son.

**Ms PATTEN** — Great.

**Ms MACEY** — When he moved out of home he literally moved next door.

**Ms PATTEN** — That was handy.

**Ms MACEY** — It has its moments, like when he and his girlfriend decided to get cats. They are in my place. They live in my place, but they are their cats.

**Ms PATTEN** — I am not sure I wanted to live next door to my mum when I was 18.

**Ms MACEY** — It is just the way it worked out.

Another thing about community housing is that they do not always apply their policies equally. As Steve Staikos, the former communication person for CHIA — he left last year — stated, they are individual businesses, each with different policies. So you do not know which policies each of them have until you are up

against them. Mine has that we all sign an agreement in our lease about underutilisation, which is like a spare bedroom. A few years ago I needed a walk-in shower. I did all the things with the OT. Port Phillip Housing had already paid for and installed a walk-in shower on another property that was a two-bedroom townhouse exactly like mine, so I thought, 'Okay, they've already done it once before'. They walked in and said, 'No, sorry. We're not going to pay for it. Bad luck'. One of the workers said, 'Well, actually, I've spoken to your OT. We've asked your OT if she can get you an appropriate place in the public housing system'. I just looked at them and said, 'Well, their transitional program is?'. I shrugged my shoulders, and their word was 'diabolical'.

There is a waiting list to get into transitional housing and public housing. I think there is only one community housing provider that has transitional housing. I do not know which one it is; I just vaguely remember seeing it come across my computer when I went into it. But that was basically what they said and that I would have to find an appropriate property to live in. I just sort of said, 'Well, I can't afford to move, and because I have numb hands I cannot easily pack'. 'Don't worry, Martina, we'll pay for the removalists. We will pay for somebody to come in and pack your house up for you. Don't worry about the cost'. When I said, 'Well, where will I move to?', they just shrugged their shoulders. So then I switched it to upstairs. They then said, 'Oh, yes. We'll pay for most of it, but you have to contribute. If you want it, you'll have to contribute'. Even though they knew I was on disability and my son was low income, I had to agree to a \$1000 contribution before they would do it.

**The CHAIR** — Just a question from what you said: you referred to transitional housing. Can you explain for all of us what that means?

**Ms MACEY** — Transitional housing is transitioning into our home, so it is a temporary home that is a transitional home until you get a home home — a forever home.

**Ms PATTEN** — So you move into a private arrangement?

**Ms MACEY** — Well, no. For example, there is a unit a block away from me that is transitional housing, but what it is is a privately owned unit. The department of human services pay that owner full market rent on the property, which is about \$400 a week. Then someone in transitional housing will rent it off DHHS for 25 per cent of their income. That is transitional housing. They will not be there forever; it will only be until a permanent home for them comes up in one of the DHHS's home homes. That is transitional — or you could end up in a home that is a boarding house, a transitional boarding house, until they find you a one-bedroom property, depending on how many people you have got in your household. That is what they mean by transitional.

**The CHAIR** — So if you are in a transitional home, presumably you are on the transfer list?

**Ms PATTEN** — Yes.

**Ms MACEY** — The transfer list is completely different again — that is, if you need a transfer up or down. If you are in a one bedroom and you have a child, you need a two bedroom, so you are on the transfer list for a two bedroom.

**The CHAIR** — So transitional —

**Ms PATTEN** — If they are knocking down your place to build a new one or to renew your house, they might put you into transitional housing while —

**Ms MACEY** — No. If you are in public housing, you will never move to transitional housing. You will stay in public housing until an appropriate place comes up that you require. It is the same with community housing. If you are in a one bedroom and you need a two bedroom, you stay in your one-bedroom unit and pay 25 per cent of your income for that unit until a two bedroom comes up. With community housing, the most you will ever pay is 75 per cent of the market rent of the property, and the reason for that is because it is a not-for-profit. If they charge more than 75 per cent, they have to pay the goods and services tax on the goods and services they purchase. They do not necessarily have to abide by the Residential Tenancies Act because we are not paying market value rent for the property. I know this because I have taken them to VCAT on several occasions. For example, there is a section on rent increases where they are required to send you a letter telling you how much the market value of your property is and you are given an option at the bottom that if you do not agree with the —

**Ms PATTEN** — Valuation?

**Ms MACEY** — No, not the valuation — how much your rent has gone up. You can go through VCAT to get them to come and assess how much your place is valued at. Now, because we do not pay market rent they are not required to give us that market rent evaluation on our property. We do not know whether what we are paying is more than 75 per cent of the market value of the property. So we can never challenge them when they put the rent up because they are not required to under VCAT. I went to VCAT and said, ‘We did not get this letter to say that my house is worth X amount of dollars’. He said, ‘You do not pay market rent for the property. The law is for the people who pay market rent’.

Having said that, the department of human services will give their tenants the valuation of their property, and then they will say, ‘But you are not paying this. You are paying this amount’. The fact is you wonder what they are hiding by not telling us (a) what the true value is and (b) that we can challenge the rent increase, which is why I am saying, ‘Hey look, you have got to stop this and not do it any more because it is us tenants that are paying the price’. I have had to fight them to stay and not become homeless. They tried to make me homeless last year by using the under-utilisation rule, and they turned up on my doorstep before my son moved out. The first thing the tenancy workers said to me was, ‘You have to move out. We have a mortgage on the property, so we need workers in your property to pay the mortgage’. That was when I looked at her exactly like how this lady, Ms Springle, is looking at me. I looked at her, and thankfully I knew the answer to that one on my property. I just looked at her and said, ‘Really? You do not have a mortgage on my property. The council gave you the property. You have got funding from local, state and federal to build the property. So how can you have a mortgage on my property? And if you do, please show me the mortgage papers’.

**Ms PATTEN** — That is irrelevant anyway.

**Ms MACEY** — They will say and do anything.

**Ms PATTEN** — It is completely irrelevant.

**Ms MACEY** — Then they turned up because I had agreed to the debt to make sure my son and I had a place to live. I have got it down to \$850. They turned up and said — and this is before he moved out — ‘Under the under-utilisation rule, you only need one bedroom. By the way, not only that, you have a debt so we do not have to rehouse you. Under our rule of if you have a debt with us, we do not have to rehouse you until you pay us that debt’. Unfortunately — or luckily, whichever way you see it — I am in and out of hospital so often that there are times when I need someone to stay with me. So I applied to the housing under that and they could not get rid of me, but I also then turned around and said, ‘It is pretty disgraceful that you are doing this to a disability pensioner. You knew from the time that I could not afford to pay it. You are going to make me homeless, and not only that, my father helped you purchase the old Telecom property behind the Grosvenor Hotel. So go for it. I will bring all of this into the public eye, and we will see how the dust falls.

They eventually, last November, after I started talking out about the debt and the fact they tried to make me homeless with it, actually rescinded the debt in a letter saying, ‘It was not for rental arrears. It was not for tenant damage. We are wiping it. There is no way that you can afford to pay it’. But it took two years to do it and me speaking out. It should not have to when they have already done it before.

**The CHAIR** — That is probably a good place to stop. I think we are about out of time.

**Ms MACEY** — The final thing is that when it comes to under-utilisation, 40 per cent of the units on my property at that time were — and they still are — under-utilised. Three of them including myself are welfare recipients, but one has a carer. Forty per cent of the property is under-utilised, but I am the only one they targeted because of my debt. They knew they had to rehouse everyone else, but because of the debt they did not have to with me. This is why their renewal program has to be public housing and it to be for all of the basic people — teachers, fire brigade and ambos — those people who are there for us when we need them. He has got \$100 million tied up with the community housing groups. He can build and then put those core workers into the public housing, who will pay more rent than those on welfare, and so balance it out that way. It needs to stay government owned because once the land is gone, it is gone.

**The CHAIR** — I think we might finish there. Thank you very much for coming in today. You will be provided with a transcript of your evidence today within a few weeks’ time.

**Ms MACEY** — It is pity you cannot show people my hands. It is a pity you cannot show me waving my hands. My mum always said if I sat on them, you could not hear me.

**The CHAIR** — I think Ms Patten has that same problem, actually.

**Ms PATTEN** — Yes, I do.

**The CHAIR** — All right, let us close there at 3 o'clock. Thank you.

**Ms MACEY** — Thank you for having me.

**Ms PATTEN** — Thank you. That was very interesting. It was really helpful. Thank you.

**Committee adjourned.**