T R A N S C R I P T

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Land Transfer Duty Fees

Melbourne – Thursday 11 May 2023

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David Davis – Deputy Chair
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WITNESSES

Mr Owen Wilson, Chief Executive Officer, and

Mr Cameron Kusher, Executive Manager, Economic Research, REA Group.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into Land Transfer Duty Fees. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

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

To begin, the members of the committee will introduce themselves to you.

Katherine COPSEY: Katherine Copsey, MP for Southern Metro.

The CHAIR: Georgie Purcell, MP for Northern Victoria.

David LIMBRICK: And I am David Limbrick for South East Metro.

The CHAIR: We will also have Tom McIntosh from Eastern Victoria calling in any moment now.

Please forgive me – I have said this so many times today, I am stumbling over my Ps. All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during the hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

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

For the Hansard record, can you please state your name and the organisation you are appearing on behalf of.

Owen WILSON: Owen Wilson, REA Group.

Cameron KUSHER: Cameron Kusher, REA Group.

The CHAIR: Thank you. We now welcome you to make your opening comments but ask that they be kept to a maximum of 10 to 15 minutes to ensure we have plenty of time for discussion and questions.

Owen WILSON: Thank you. Good afternoon. As I said, my name is Owen Wilson. I am the Chief Executive Officer at REA Group, and I appreciate the opportunity to contribute today. I am joined by REA Group's Director of Economic Research Cameron Kusher. I will start today with some background on REA Group, including our role in the property sector, and then from there I will elaborate on our submission to the inquiry.

REA Group is a proud Victorian startup success story. We started our business in a garage in Doncaster in 1995, and today we are a top 20 ASX company and recognised as a global leading digital property business. We are passionate about our purpose, which is to change the way the world experiences property. We do this by connecting Australia's largest property audience – approximately 12 million visitors – to realestate.com.au each month with real estate agents and their customers, removing friction and increasing the efficiency of the property market while empowering consumers to make good decisions through our data and the experiences we provide on our platform. We have got a unique lens on the housing and lending market because in addition to realestate.com.au, we have a significant mortgage broking business in Mortgage Choice and a leading property data business in PropTrack and we are Australia's number one share accommodation website with flatmates.com.au. So we service a broad spectrum of the property industry. Our unrivalled audience of consumers, our property and mortgage data and our close involvement with the industry through our customers and industry bodies provide us with really deep insights, and we are really pleased to share these to assist this inquiry.

We are here today because we believe a significant opportunity exists to reform the way property is taxed and to deliver beneficial and equitable change for the Victorian community. In our view stamp duty is an inefficient tax that distorts property market behaviour and negatively impacts property supply. In turn, this directly impacts both affordability and accessibility in the market. As we are all aware, property prices have appreciated substantially over time, and the dollar impact of stamp duty has grown, particularly through bracket creep, to become a significant obstacle to mobility, preventing some people from accessing the property market and others from transitioning to properties that better suit their current needs. The clearest illustration of this continual downward trend in properties being offered for sale despite ongoing increases in total housing stock is the turnover. Between 2012 and 2020 new listings in Victoria fell at the rate of minus 4.5 per cent per annum. The impact of declining mobility is that housing stock in Victoria is not being optimised at a time of inadequate housing supply, as evidenced by the rental crisis and broader affordability issues. These are long-term issues that are well-publicised and causing significant concern in the community and the property sector.

At the time of the 2021 census there were 3.1 million more bedrooms than people in the country and around 780,000 more bedrooms than people in Victoria. This is a conservative number, because what it does not take into account is when people share a bedroom, and so there are more rooms than people in this state. Making it more attractive for households to move out of homes that are too large for them would enable more efficient use of housing stock. The significant cost of stamp duty deters downsizers and locks people into homes that do not suit their needs.

Stamp duty prohibits Victorians from moving closer to their place of employment, so they choose long commutes rather than incur the cost of moving. This contributes to our traffic congestion and necessitates increased infrastructure expenditure. In addition, our data suggests that less affluent households are more regularly exposed to the cost of stamp duty. This is because more expensive housing stock is more tightly held, whereas less expensive stock is turned over more regularly – and I will expand on this point shortly. From a rental market perspective, the removal of stamp duty and replacement with a universal land tax would potentially afford renters the opportunity to become home owners sooner than they currently can. Currently, the purchase of a property is not just mortgaged for the purchase price, it is the purchase price plus the stamp duty. New buyers not eligible for stamp duty relief begin their property journey paying more than the property's market value, locking them in unless the value of that property increases. The removal of stamp duty and the subsequent removal of barriers to purchase is also likely to make investment in residential property more attractive and afford investors the opportunity to purchase sooner, increasing the supply of much-needed rental properties.

The potential positive impact of stamp duty reform on the real estate sector and adjacent industries should also not be overlooked. The real estate sector in Victoria on its own employs approximately 37,000 people, but when you take into account the broader property and adjacent sectors a huge number of businesses and jobs are involved. We expect a transition away from stamp duty will encourage more transactions in the market, which would broadly benefit those working in the sector and adjacent sectors. When people sell their homes they often stage the properties; they often complete renovations beforehand. When they sell they need to use removalists, and when they purchase they often make additional purchases such as new cars and new furniture. While we have not done specific modelling on this, more transactions in the market are likely to encourage greater overall economic activity.

In summary, Victoria needs to strongly consider removing stamp duty and replacing it with a universal land tax. This will improve housing accessibility and affordability and remove many inefficiencies in our economy while also delivering more sustainable, broad-based government revenue. While a shift from stamp duty presents challenges, we believe these are outweighed by the long-term structural benefits to the housing market. These changes should support the state government's ambition to collectively deliver on the housing needs of our community.

I would now like to hand over to Cameron to expand on our insights and discuss potential solutions and recommendations to address these issues.

Cameron KUSHER: Thanks, Owen. Thanks, everyone. When we analyse stamp duty, we know that it is a large source of government revenue, particularly for state governments. Here in Victoria the latest data shows that stamp duty revenue accounts for more than 25 per cent of all government tax revenue. New South Wales is the only other housing market or state where we are seeing such a high level of revenue coming from stamp duty. Whilst an important source of revenue, it is also volatile and difficult to forecast, which in turn for a government makes it very difficult to plan for expenditure going forward. The reason for that volatility is that it is reliant on property turnover and it is collected from only a small number of properties that turn over in a given year. In the decade between 2012 and 2022, 2015 was the year when we saw the greatest amount of residential housing turning over. It was only 5.6 per cent of all of the housing stock in Victoria which turned over. So you are getting 20 per cent to 25 per cent of your revenue from less than 6 per cent of properties that are selling in a given year.

The greater reliance on stamp duty in Victoria is largely due to the housing market, which has been much stronger over the past decade than what we have seen elsewhere. The housing market was still seeing quite strong price growth in 2021–22, but if we fast-forward to now, we are seeing the number of transactions falling and property prices falling, so we know that that stamp duty revenue that we have seen in the most recent financial year is not going to hold up going forward.

Stamp duty levies at an individual property level in Victoria are also relatively higher than they are in other capital cities. Despite the fact that the median house price in Melbourne is almost $400,000 cheaper than in Sydney, the stamp duty difference is only $4651. If you were to buy a property at the same price as the median house price in Sydney and Melbourne, you would be paying almost $20,000 more in stamp duty in Melbourne than you would be in Sydney.

So given these issues outlined, we believe that a universal land tax which could either be levied on the value of the land or the value of the home and land is a more efficient and appropriate way to tax property. It is universal and it is non-transactional, which would capture taxation revenue from everyone rather than just that narrow number of people that transact on property in any given year. It also means that people that have to move are more freely available to do that and do not incur those up-front costs. In fact it may even have the additional benefit that it could encourage the state government to work with local councils and approve more housing in order to grow that revenue base going forward.

An analysis we undertook within our submission, as Owen alluded to earlier, found that properties are being held for an increasingly long period of time. On average houses in Victoria were held for 19½ years and units for 14.7 years. Importantly, though, it is the more expensive areas of the state, and particularly the more expensive areas of Melbourne, where properties are being held on to for longer, so in effect it is people with cheaper properties, people that are probably lower socio-economic and with lower incomes that are incurring stamp duty more regularly than higher income people. As an example of this, the SA4 regions of inner Melbourne, Melbourne's inner-east and the Mornington Peninsula had the longest average length of ownership, while if we go to Melbourne's west, Melbourne's north-west or Melbourne's south-east, they had the shortest length of home ownership.

Comparing Australia to other OECD countries, the rates of stamp duty in Australia are typically much higher, with 3.7 per cent of total government revenues – that is state and national government revenue – coming from it compared to 1.4 per cent as an average across the OECD. Land tax is actually quite high, relatively speaking, in Australia already as well, but we have got very different tax systems. If you think about state governments here, they do not have the ability to levy income tax like they do, for example, in the US. So in terms of the options to raise revenue, it is much more narrow here in Australia than it is in other parts of the world.

So what are the options for transitioning to land tax from stamp duty? We see that there are really four main options. Ideally, when you are making that transition, you want it to be as fair as possible to home owners, and you want to maintain as much of the revenue that you are currently getting from stamp duty as you possibly can. So the four options we see are the gradual transition, much like what we are seeing in the ACT at the moment, where you slowly reduce stamp duty each year and you raise land tax over that same period of time. They are taking 20 years to do that. I guess the downfall of this is it takes a long time to make that transition, and that is really the biggest weakness there. The other option is grandfathering: so when someone buys a new property, they have to transition to land tax. That can still take a very long time to make that transition, and it can discourage people from selling a property if they know they are not paying land tax but would be exposed to land tax if they made that change. It also would lead to lower revenue, initially. You have also got the New South Wales option, which is kind of similar to grandfathering, but you start with the option for people to choose land tax or choose stamp duty – and I can tell you most first home buyers are going to choose land tax because they are probably not going to be in that property for 20-plus years and they do not have that impost up-front. Again, though, you do have the issue that potentially people just will not transact in order to maintain that tax-free status they have in their principal place of residence. And the other one is just a straight change added at a point in time saying 'We're going to move to land tax', but you would have to offer people that have recently paid stamp duty some sort of credit on that land tax, given that they have just incurred that big expense up-front.

So overall we acknowledge that a transition to land tax is really complex, and we would say that any of these choices really do need to be modelled by Treasury, but there are certainly options out there. This is why it is imperative that all of the options are thoroughly considered and carefully formulated. The objective must always be front and centre, and that is ensuring a transition that delivers fair and equitable outcomes for all Victorians. Thank you for your time.

The CHAIR: Thank you very much. We will go around the room now and ask questions. We normally have a time limit, but I do not think we need it for this one. So we will start with Ms Copsey.

Katherine COPSEY: Thank you. I just have the one question as well, and you have touched on it already, Mr Kusher, in your opening remarks. But regarding the ACT's gradual transition model, which means that the full benefits of getting rid of stamp duty are not felt for a very long time, can switching to land tax but giving existing owners a credit to make up for stamp duty that they have already paid be an option for speeding up the process without creating a lot of friction?

Cameron KUSHER: I think it definitely can be. It is just about structuring that the right way and I guess from your perspective the politics of doing that as well. I mean, if you give people a long runway to make that transition, they know it is coming, whereas if you kind of spring it on them and maybe say, '12 months, 18 months from now, everyone's switching,' that could be a bit of a challenge politically. I think the important thing is to try and make it as equitable as possible and give those people that have just paid stamp duty some reduction on their land tax, but it is certainly another option that is very worth investigating further.

The CHAIR: Thanks, Ms Copsey. I do not have any questions, but I just wanted to thank you for your very thorough opening remarks. So I will pass to Mr Limbrick.

David LIMBRICK: Thank you for your submission and turning up today to talk to us. Your submission and many others that we have seen show pretty clear evidence of housing stock misallocation. It seems that the primary analysis of that has been through how many bedrooms versus how many people, and I take your point that whether or not you have a spare bedroom is not necessarily going to represent misallocation but it is not a bad proxy either. But looking at these numbers – I think it was something like 700,000 more bedrooms than people in Victoria – makes me wonder how big a problem this really is, because that is 700,000 people who could have a bedroom that currently do not have one. Do you think that there is a large pent-up demand that would go forward with transactions? Clearly we would see more transactions if there was no stamp duty, but what do you think is the scale of this? Do you think that this would be a big thing if we got rid of stamp duty – that there would be a very large number of transactions?

Cameron KUSHER: If we look back over the last 10 years, you are looking at, at the peak, 5.6 per cent of all properties in the market transacting. We did not model what the change would do, but I would think that you would be looking at more than 6 per cent of all properties, at least, transacting in a given year. But I think it is not about the transactions. It is about people being able to get into the right property. It is also about people that are in properties that are way too big for them getting into smaller properties and making those properties available for people that do need that additional space. Whilst more transactions are good, and to be honest good for our business, it is more about better allocating people to the properties that they need.

David LIMBRICK: Yes, because one of the points that you have put in here, and this was quoted in another submission as well, was the research from Andrew Leigh. It is an estimate: a 10 per cent increase in stamp duty lowers turnover by 6 per cent over three years. You would have to assume that the converse is true as well: if we lowered stamp duty by 10 per cent, we would probably get an increase in turnover. This was another thing that I wanted to ask about. It was suggested earlier today that potentially we would get an increase in turnover, an increase in transactions, if we just lowered the stamp duty rate, and because stamp duty revenue is a function of transactions, housing price and rate, you could end up in a situation where you would not actually be losing any revenue, because you would have a higher number of transactions. Certainly a business like yours would know that dynamic very well, I imagine. Do you think there is a possibility that we could be in that scenario now, where if we lowered it, it might not actually have a huge effect on overall government revenue?

Cameron KUSHER: I think that is a possibility, but I think it is more about what the most efficient way is to collect tax. And we know that even if you do that in transactions lifted, you have still got this inequitable tax that you are only collecting from people that are actually transacting. To me it makes more sense to collect tax revenue from everyone, even though I get that politically that can be difficult when there are a lot of people that are not paying any of that. But I think it is not about lowering stamp duty, it is about the fact that it is an inefficient tax and there are much better ways to collect tax and stamp duty.

Owen WILSON: And it is a tax that can be avoided, so you just do not transact. So, you know, if you live in Footscray and you take a job in Dandenong, you are not going to move house to move closer to your work, you will commute, and it is one of the reasons I think our roads are clogged. And first home buyers have got to go further and further away from the city, again having to commute more. If stamp duty was removed, they could possibly move further in. So any tax that is optional I think then distorts the economy and creates huge inefficiencies.

David LIMBRICK: Yes. And some people probably do not take the job in the first place because –

Owen WILSON: Well, we see it in interstate mobility. It is almost impossible to recruit people from interstate into Victoria. I know we can see it in our business, but I know in many businesses – because the cost of moving is extraordinary, and you are really just getting like-for-like housing but with a massive penalty in the form of stamp duty.

David LIMBRICK: I mean, that is an interesting point, and it was raised earlier today that perhaps, you know, there is some sort of competitive federalism first mover advantage here. If Victoria got rid of stamp duty, would you predict that that would have an increase in population in the state? Because it would make it more attractive or cheaper to move here, right?

Owen WILSON: We were talking about this today, actually. I believe that we could become a destination state if it is cheaper to buy a house. I think that already we have an advantage in just the house prices between Melbourne and Sydney, but with the removal of stamp duty I think we would become a destination state for internal immigration across Australia.

David LIMBRICK: You mentioned before the political problem. It seems that there is not an economist out there that does not agree with you that, you know, we have got an inefficient tax and we should replace it with a broad-based, efficient tax. Everyone seems to understand the problems, but the implementation of it is a big political issue because people who already own a house and are not going to move are incentivised to oppose this coming in, right, because they are going to have extra costs on them. Similarly, as Mrs McArthur raised earlier today, farmers – like, people who are using agricultural land – typically hold their farms for a very long time if they are family farms, and this will result in a loss of income to those people, effectively, or they will have less profitability on their farms. How do you think we can deal with those sorts of political issues and change the incentives? It seems like that is the reason why governments have not actually done anything, because to all these home owners that are happy in their homes and do not want to move the idea of paying a regular tax is very unattractive.

Cameron KUSHER: Yes. I mean, that is the hardest part of all of this, right, and I think it is almost about getting those people to consider their children. I mean, I look at this, and I think it is the same issue with planning: people do not want more housing in the area because they bought in this area expecting it to be one way, and they do not want additional housing in that area because it is going to change the nature of where they live. So I think it is very similar here.

I think the argument has to be that, you know, if you look at where prices were 20, 30 years ago, when people bought a lot of these properties that they are still in, and where property prices are now, they have gone 20 years, outside of paying council rates, paying no tax whatsoever. Now, again, I do not know how that messaging works from a political standpoint, but I think to me it all comes down to whether it is equitable or not. You know, people getting on the ladder: I mean, most people do not buy their first home and that is the home they are going to live in for the next 20 or 30 years; it takes a number of steps to get to that property. So people are punished for basically being born later and having to get into the housing market now rather than being born a long time ago and getting in when property prices were a lot cheaper.

David LIMBRICK: The reason I was asking as well about transaction volumes – I actually do not understand your business model exactly, but I am imagining there is a fee for advertising. Is that like a percentage of the value or is it a flat fee?

Owen WILSON: No, it is a flat fee. So it is irrespective of the property value. We do price differently across zones, so that it is cheaper in areas where houses are cheaper, but within a zone it is all the one price whether your house is worth $1 million or $800,000 or $500,000. So it varies. We have got about 150 price zones across the country, but it is a flat fee.

David LIMBRICK: The reason I was wondering that is because if it was, then your business model is actually very similar to how stamp duty revenue operates. But I imagine with real estate agents, their business model is very similar to how stamp duty operates because they have a percentage of the sale fee plus the number of transactions.

Owen WILSON: I think the difference, though, is the brackets within stamp duty. So you get bracket creep. So the rate goes up the higher the value of the property, so that bracket creep –

David LIMBRICK: And it has not been adjusted for a very long time.

Owen WILSON: It has not been adjusted for a very long time. One of the other ways that could be considered is kind of a reverse, starting from the top-down and the bottom-up. So for example, in New South Wales they made it optional for properties below a certain value for first home buyers to opt out of stamp duty and opt in to land tax, and overwhelmingly that is what they did. They said, ‘I will pay the stamp duty.’ Similarly on land tax it might make sense to start from the top. So the higher value properties, arguably the people who can probably afford it earliest, start by taxing them and move down the value chain on land tax as stamp duty goes up the value chain, and increasingly bring that value down and increase the value of the stamp duty exemption. Eventually they will meet in the middle and pass each other and overtake. That may be one way. Again you would have to model it to make sure you did not have revenue leakage and the state could still afford its services, but that is another possible way. The New South Wales way was really successful, I think, and the way it was going to work was they were going to increasingly make that more available to more buyers and gradually bring that transition across. ACT will work; it is just going to be 20 years in the making.

David LIMBRICK: Although there were concerns – and I somewhat share those concerns about the ACT model – that, you know, we have got two taxes now. Out of all the models proposed the one that is just rip the bandaid off and switch immediately is attractive in that you know that you are not going to get stuck with two taxes. I am still sceptical about whether the ACT is going to eventually get rid of stamp duty.

Mr Kusher, earlier you said about the type of tax it could be on either unimproved value or property price. I think from memory you are the first person that said it could be on improved value, because I think evidence we heard earlier today was they were very insistent that any sort of broad-based tax would have to be on unimproved value because it would be disincentivising improving the quality of the housing – of the stock that is on that land. What are your thoughts on that?

Cameron KUSHER: Look, I think unimproved value is a better way to go. It is just that you could have the option to do either. I mean, there are easy ways to value a property. We know from looking at the transaction of the properties what typical properties are going to be similar to that. So I think unimproved is definitely the better way to go, but you could have a look at doing it on improved value as well. But I think also looking back to when a lot of these properties were bought, there have been significant improvements to those properties, and that has driven up the price. You know, a house in Toorak now is not what a house in Toorak was 30 or 40 years ago, so that is also a consideration. But I think unimproved value is the better way to go, but we should not –

Owen WILSON: We do not want to disincentivise development.

David LIMBRICK: That is my concern as well.

Owen WILSON: We have got such a housing shortage at the moment. We need to build more.

David LIMBRICK: On that note with the types of taxes, the closest that we have to that, and this was raised earlier today, was around council rates. So that is quite similar to that. Do you feel that property owners feel that the way that they are calculated and levied is fair? Any sort of tax like this is going to have to have wide support and buy-in from people, and in order to obtain that politically, people need to feel that the valuation of their property is just and fair. And you hear lots of people complain about council rates saying, 'This valuation is nonsense' and this sort of thing, but that is sort of the closest thing that we have got now. If we were going to expand that out and make it bigger, we would have to make really sure that that system is going to be supported by people. Do you get the feeling that property owners feel that those calculations and the way that rates are calculated now are fair and they support them?

Owen WILSON: It comes down to your perception of your valuation, and we cop this a lot. We have all 15 million properties in Australia on our site with a value. Now, we have got a valuation model that does it automatically, and on our measure it is probably one of the most accurate in the world, but you will always have exceptions where our valuation does not match what a consumer thinks their property is worth – and they let us know.

David LIMBRICK: Yes, I am sure they do. They probably let the council know too.

Owen WILSON: They do. This is where you need processes. One, you need robust valuation models, and probably more than one, and you can coordinate those across each other. You also need a process for appeal so that if someone says, 'Look, I disagree with this valuation, this is why I disagree with it,' they can present their evidence and they can get a hearing. And if they have got great evidence, then you change it. So as long as you have got that process in place, I think there are safeguards.

Cameron KUSHER: It is almost also an education piece. I think no-one really understands what an unimproved capital valuation of a property is. Obviously it affects you now with council rates, but if it was to have a bigger effect on you with what you are going to pay in land tax, you almost need to go and educate the public about what this valuation is, what it is doing and what drives change or what drives that increase in the value of your property as well.

David LIMBRICK: I would be interested in your thoughts on another model that we have heard submissions about. This would require federal cooperation. But one of the models suggested – I think DTF was actually talking about it – was if the states and the federal government cooperated, effectively we could abolish stamp duty nationally by tweaking the GST rate. What are your thoughts on that type of model? It has been put to the committee that that would not have some of the advantageous effects on behaviour that a property tax would have. However, depending on how big the GST change was, I guess it may be an easier sell.

Cameron KUSHER: I guess we did not really investigate that in here because we knew this was specific to Victoria, but I think there are definitely other models that you can replace that revenue with, and GST is a good example of that. It has got a lot of the benefits that land tax has, and it is a really efficient way to collect tax. You cannot really avoid it, although there have been a lot of carve-outs of what is in GST and what is not, so we could broaden it. I think it is definitely an option rather than land tax. I guess probably from a home owner's perspective you do not feel like you are being taxed on your own home; you are getting that tax elsewhere. I think it is something to consider, but there seems to be pretty strong opposition to lifting GST as well. So I think you are going to face the same challenges you would introducing a land tax as bumping GST from 10 per cent to 15 per cent.

Owen WILSON: Even though it is relatively low compared to other countries.

Cameron KUSHER: Yes.

Owen WILSON: Ten per cent is quite low.

Cameron KUSHER: Nothing. Yes.

David LIMBRICK: Sorry, am I being a hog here?

The CHAIR: No, we have got the time.

David LIMBRICK: All right. We were talking about inefficient allocation before, with too many bedrooms that are empty, and of course one of those drivers is stamp duty. We have also heard evidence from DTF themselves that they actually think that for older people the bigger driver is changes to the assets test. That can cause big financial problems for them. What other factors do you see in the property market that might be causing this sort of misallocation, apart from those two factors? Are there other things going on?

Cameron KUSHER: I think other factors are just the nature of how properties appreciated over recent decades. If you have got a better located property closer to the city on a bigger block of land, it is probably going to escalate in price more than if you downsize out of that into an apartment. I think that definitely weighs on people's minds. But I think also, as you said, if people are downsizing out of a large home if they are retired and into something smaller, then it can affect their pension. I think they are probably the two biggest considerations.

David LIMBRICK: Okay. That is all from me. Thank you.

The CHAIR: Mr McIntosh, do you have any questions?

Tom McINTOSH: No, a lot was covered there – a lot of interesting questions and content. I am content. Thank you both for your time.

Cameron KUSHER: Thank you.

Owen WILSON: Thank you.

The CHAIR: Great. Thank you so much for your contribution today. That concludes the hearing.

Committee adjourned.