



**Julie Collins MP**

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**Minister for Housing  
Minister for Homelessness  
Minister for Small Business**

Ref: MC23-012122

Ms Susan Templeman MP  
Chair  
Standing Committee on Petitions  
[petitions.committee.reps@aph.gov.au](mailto:petitions.committee.reps@aph.gov.au)

Dear *Susan* Chair

Thank you for your correspondence concerning Petition EN5044 to introduce a Home Rescue Guarantee scheme.

The Albanese Government recognises the importance of the residential construction sector to the national economy. The residential construction sector is under pressure as it continues to address the effects of the pandemic, supply chain disruptions, labour shortages, rising interest rates and significant price rises for key inputs.

There is a large pipeline of construction work across Australia which means that demand for construction materials and labour remains at elevated levels. However, while house construction input prices continued to rise in the June quarter, this is the fourth consecutive quarter that the pace of growth slowed, as supply chain improvements and falling demand for new construction allow for the backlog of housing to be worked through.

The availability of materials and labour in the construction industry is not expected to ease until around late 2023 to early 2024. Commonwealth, state and territory Building Ministers have noted the significant economic challenges facing the building industry including supply chain, cost and workforce pressures, which have contributed to insolvencies in the sector.

The Government acknowledges the difficult circumstances faced by customers impacted by insolvencies in the residential construction industry, including Porter Davis. Ultimately, regulation of the building industry is a matter for state and territory governments. On 20 April 2023, the Victorian Government announced compensation for customers of Porter Davis who signed their contracts and paid deposits but where Porter Davis did not take out Domestic Building Insurance. The Victorian Government also announced that the Victorian Building Authority is investigating Porter Davis Homes for potential breaches of the law.

On 31 March 2023, Grant Thornton Australia were appointed liquidators of 14 companies in the Porter Davis Homes Group. Any inquiries about the progress of the liquidation or concerns regarding a specific liquidation matter can be raised with the liquidators in the first instance. If this fails to resolve concerns, a complaint may be lodged with the Australian Securities and Investments Commission (ASIC).

Commonwealth, state and territory senior officials and the Australian Building Codes Board have undertaken work to identify factors constraining the market at the moment, as well as possible opportunities to bolster capacity and alleviate cost pressures. Officials will continue to update this work and report to Commonwealth, state and territory Building Ministers with further work to ensure all possible responses to this critical issue can be considered.

I trust this information will be of assistance to you.

Yours sincerely

Julie Collins MP

4 / 10 / 2023