

6 September 2003

Dear Commissioners

**SUBMISSION TO THE COMMITTEE OF INQUIRY
ON FIRST HOME OWNERSHIP**

I believe that it is appropriate to hold an inquiry into the affordability and availability of housing for first home buyers. However, I am concerned that there is another large part of the population who are also priced out of the housing market and who are not covered by the terms of reference of the Inquiry.

I refer to those people who have previously owned homes, are raising a family, have undergone a family breakdown and have had to move into rental accommodation. In such situations, there is usually only one income with little or no savings left and no chance of being able to save the deposit for buying a house. This is my own situation.

I separated from my wife while our two children were still in high school. The children stayed with me but, because of her financial situation at that time and subsequently, my ex-wife was unable to contribute to the children's upbringing. When the second child left high school, I had a debt to the school of almost \$12,000 which took me three years to pay off.

It has not been easy repaying the school, renting a house, paying living costs, running a car and putting the two children through university. It has certainly meant that a social life for the three of us has been just about non-existent.

I am now fully employed and earning a reasonable salary. My eldest child has just started fulltime employment in another city, while my second child is still at university. However, even with just one child still at home, paying rent and meeting the cost of living makes it impossible to save sufficient money for a deposit on a house.

As I am 60 years old, I have to accept that I have a limited working life left ahead of me, no matter how much I might wish to keep on working. I appear to be fated to rent for the rest of my life. The irony is that the amount that we are currently paying in rent is often reasonably close to the amount that we would make in repaying a mortgage. If I, and the many people like myself, were able to receive assistance with making the deposit on a house, there would be many more families in secure housing, not facing uncertain futures.

In some ways, it seems unfair that so much assistance is offered to first home buyers who are likely to have two incomes, no dependents, a long working life ahead of themselves and able to save when others like myself with dependents, limited ability to be in fulltime employment and no ability to save are unable to gain assistance.

While I appreciate that these comments are outside the Commission's terms of reference, I believe they are serious matters that need to be considered.

Yours sincerely

Garth Buchanan