

From: kaye carpenter

Sent: 16 October 2003 18:05

To: housing@pc.gov.au

Subject: Inquiry on First Home Ownership

16 October 2003

Productivity Commission
LB2, Collins St., East
Melbourne
Vic. 3003

Dear Commissioner,

I wish to submit a statement, hereunder, to the Inquiry into First Home Ownership.

Yours faithfully,

Kaye Carpenter.

I wish to express my concern about several issues related to housing.

I am a sole parent of three boys aged 15,13 and nine. I have had total responsibility for my children for several years. We have been living on the Sunshine Coast for six years. I am in the fortunate position of owning our home, albeit basic but sufficient for our needs. Home ownership has meant safety, security and a moderate standard of living which allows participation by my children in a range of cultural, sporting, service and social activities comparable with their peers.

Becoming a sole parent has bought me into contact with many others in a similar situation. One of the biggest issues for them is attaining safe, secure, affordable housing. Mortgages are difficult to finance and rents in the private sector have become exorbitant. The availability of public/community housing is critically inadequate. The high level of income going to housing is leaving inadequate amounts for the other basics of life such as food ,clothing and school supplies. Modest desires, such as a child playing in a soccer team or going on a school excursion are impossible to fulfil. I have seen women exhausted by the stress of managing day to day.

In the time we have been living here the price of houses has doubled, if not tripled, across the range of options. Around my area houses are purchased and left vacant, sometimes for months, until a tenant is found who is prepared to pay an amount reflecting the purchase price. The Coast is being developed at a fast rate yet the provision of affordable housing is not being addressed.

It is disturbing to realize that hundreds, perhaps thousands of people are homeless in this rapid-growth area, that people are living in cars, living in unsafe conditions such as some caravan parks and going from one welfare agency to another desperately seeking help. It is distressing to realize that my children face a future of insecure employment and rapidly diminishing prospects of home ownership and all the benefits that follow.

I would like to see the following occur to address immediate and long term issues:

1. provision of more affordable, safe, secure and appropriate public housing
2. an immediate increase in Commonwealth rent assistance
3. negative gearing re-examined with a view to it being applied only to affordable housing
4. direction of windfall stamp duties to public/community housing especially crisis accommodation
5. more certainty for home owners over the long term by providing some protection against interest rate increases and
6. reconsideration of the requirement of superannuation funds to maximize short term returns, in order to release funds to the housing sector.