

Productivity Commission
LB2 Collins Street
Melbourne
Victoria 8003

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Alan Salter
(concerned citizen)

Victoria

20/1/03

Dear Productivity Commission, First Home Ownership,

RE:- The Discussion Draft released by the commission on "FIRST HOME OWNERSHIP".

For far to long the "HOUSING INDUSTRY HAS BEEN LIVING A LIE, PERPETUATED BY FAR TOO MUCH "WRONG MONEY" BEING ALLOWED TO BE INJECTED INTO IT BY THE GOVERNMENT THROUGH "NEGATIVE GEARING, WETHER THAT BE LOCALS OR OVERSEAS INVESTORS".

Of course "THE MORE MONEY THAT GOES INTO THE INDUSTRY, THE HIGHER THE PRICES, FACT OF LIFE!, AND WHO BEARS THE BRUNT OF THOSE HIGHER PRICES?, THOSE AT THE BOTTOM OF THE HOME OWNERSHIP LADDER, THE FIRST HOME BUYER" OR THOSE WHO RENT!

For The Commission to use " THE DISCRIMINATION ARGUEMENT" when discussing "NEGATIVE GEARING ON HOUSING & OTHER FORMS OF INVESTMENT WHERE NEGATIVE GEARING IS ALLOWED", (section 5, pages 59 to 89), Why would any "JUST & CAREING SOCIETY PUT WETHER ONE CAN OWN A B.H.P SHARE OR A BASIC COMMODITY SUCH AS A FIRST HOME IN THE SAME BASKET?".

It would seem to me on reading "THE DISCUSSION DRAFT", that The Commissions position is to let "MARKET FORCES DO THE WORK", if this is the case then "A GOLDEN OPPORTUNITY" will have been lost to "BRING BACK SOME NORMALITY TO THE FIRST HOME BUYERS MARKET", by making such recommendations as "THE REMOVEALL OF NEGATIVE GEARING FOR HOUSING". Governments have allowed the removeall of "THOUSANDS OF WOULD BE FIRST HOMES" because of "MULTI-UNIT" developments, but nowhere did "THEY REPLACE THEM", Governments should at least be responsible for "PROVIDING ADEQUOTE RENTAL ACCOMMODATION".

Yours faithfully

Alan Salter