

The Inquiry Into First Home Ownership
Productivity Commission
LB2 Collins Street East
Melbourne
Victoria 8003

Alan Salter
Victoria

16/2/04

Dear Sir's,

Please add the following material to my previous submission.

Having sat through the two days of submissions at the public hearings in Melbourne, i agree with The Commission that their is "NO EASY FIX" to the plight off would be First Home Buyers and other Non- Home Owners, the problems are "MULTI- FACETED.

But non-the less something has to be done for "THE OVERALL GOOD

OF OUR SOCIETY AND FUTURE GENERATIONS OF AUSTRALIANS, ESPECIALLY FAMILIES AND THEIR FUTURE".

Many "ALLEGATIONS" were made during the Public Submissions which need to be investigated, allegations "OF CORRUPTION, COLLUSION, CARTEL'S, OVER-PRICEING, and so on.

I do not believe the problem will be "SELF-CORRECTING" as their arc far too many "VESTED INTERESTS INVOLVED", including Governments, many of these interests need to be irradiated from the lower end of the housing market/industry.

URBAN-RENEWAL is largely out of control and because of "OVER-DEVELOPMENT OF MANY SITES" land prices have sky-rocketed, i enclose photo's as examples, of course "MANY WOULD BE FIRST HOMES ARE DEMOLISHED TO GET AT THE LAND, BUT FIRST HOMES ARE NOT BUILT ON THE LAND, PUSHING FIRST HOME BUYERS FURTHER AND FURTHER OUT OF MELBOURNE".

Negative Gearing, especially at the lower end of the market should be "DONE AWAY with, as Mr Alun Breward said during the Public Hearing, "ONE HOME OWNER SHOULD NOT BE OUT COMPETING AGAINST A NON-HOME OWNER".

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Contrary to statements made NEGATIVE GEARING is not at "THE MIDDLE TO TOP END OF THE MARKET", it also is very much used at the bottom end to buy up many of the "SIX & EIGHT PACK FLATS", which pushes up the prices and rents.

STAMP DUTY & OTHER TAXES, should either be removed or reduced drastically for all "NON-HOME OWNERS", they are an "IMPEDIMENT TO THE OVERALL WELL. BEING OF OUR SOCIETY, ESPECIALLY FAMILIES".

Governments should enter "THE-LAND & HOUSING PROVISION MARKET" and create "GENUINE COMPETITION" at the lower end of the market, of course.

One way ALL GOVERNMENTS could become involved is in "JOINT VENTURES" using Government owned land (including local councils), especially "LAND USED FOR CAR PARKS", these are usually near facilities, transport, shops, schools, etc, etc, the more efficient use of the land would benefit local communities/ businesses.

The dwellings built should be only for low income potential future home buyers and seen "AS A STEPPING STONE" to fullfill that, their should be a set period that one can live in such dwellings, say "TWO TO THREE YEARS", with the aim of course to save a deposit for their own home, rents would have to be "REASONABLE".

"DWELLINGS WOULD BE BUILT OVER THE CAR PARKS
OF COURSE AS FLATS, THUS RETAINING THE CAR PARK,
RESIDENTS WOULD HAVE LIMITATIONS ON THEIR CAR SPACES".

I have lived in the City Of Moorabbin (now divided up into the Cities of Glen Eira, Kingstone & Bayside), since i came to Australia 34 years ago.

The area is indicative of whats happening all over metropolitan Melbourne and other Australian Capitol Cities, the Suburbs are being "RAPFD" under the pretence of "URBAN RENEWAL", all Cities such as Moorabbin had "HOUSING STOCK TO CATER FOR ALL LEVELS OF THE HOUSING MARKET", which is most important for the "LOWER WAGED WORKING CLASS".

But one by one all the "WOULD BE FIRST HOMES ARE BEING DEMOLISHED" to make way for up-market homes, this "MADNESS HAS TO STOP".

Following are a series of photo's from my local area, the same photo's could be taken anywhere in Melbourne!

Photo one, 33, Fairbank St, Moorabbin, Vacant block, would be "FIRST HOME DEMOLISHED", sale price of land, "\$469,000-00".

(Photo not available)

Photo two, 322 Fairbank Street, Moorabbin, Weatherboard home, you can bet it will be demolished, would have made "THE PERFECT FIRST HOME", sale-price, "\$469,000-00"

(Photo not available)

Photo three, 1/9 & 2/9 Fairbank St, Moorabbin, house has been DEMOLISHED and two houses built on the block, which is more than likely what will happen to the other two lots above, asking prices for the two houses, 1/9, \$320 to \$360,000-00, 2/9 \$290 to \$320,000-00.

(Photo not available)

Photo four 211, McKinnon Road, McKinnon, previously single storey shop & dwelling FIVE THREE STOREY TOWN HOUSES HAVE BEEN BUILT ON THE BLOCK" asking price for each "\$425,000-00, utter madness!.

(Photo not available)

Photo five 156, McKinnon Road, McKinnon, shop has been demolished, shop and three two and three bedroom flats to be built, a total of "EIGHT BEDROOM ON SITE"

(Photo not available)

Photo six, 140, Mckinnon Road,⁶ Mckinnon, single house demolished,
application for "NINE FLATS ON THE BLOCK", planning madness!.

(Photo not available)

I hope the enclosed information, along with my previous submissions
are/were some help in formulating recomendations that will assist
"FIRST HOME BUYERS AND OTHER NON-HOME OWNERS".

Yours faithfully

Alan Salter