

I am very concerned that current housing policies will not enable my grandchildren to purchase a house and have identified a number of changes that would help to restore housing affordability (see [fairdealforland.com.au](http://fairdealforland.com.au)). Please indicate whether you and your party will, if elected, support these changes so I can inform readers as they make their voting decisions.

Please add any comments you would like passed on to my readers.

Name: \_\_\_\_\_ Party: \_\_\_\_\_

Action	I support [Yes/No]	Party Support [Yes/No]	Comment
<b>Stop upward pressure on land prices</b>			
· Enable Local Governments to release more land for development through infrastructure development.			
· Encourage State Governments to stop putting a floor under land prices through annual Site and Unimproved land valuations based only on Market Value..			
· Abolish negative gearing.			
· Recognize the true value of owner occupation of housing to the owner, the community (through greater disposable income after a few years) and the government (through a stronger economy and less rent assistance in later life).			
<b>Assist first home buyers</b>			
· Stop Capital Gains Tax discounts except for sales to first home buyers.			
· Expand the Home Guarantee Scheme to include all first home buyers . Replace the property price cap with a cap of \$250000 (same as the Financial Claims Scheme) on the deposit guarantee.			
· Allow Superannuation to be used for a deposit for first home buyers.			
· Provide means tested government assistance through grants or equity sharing for a deposit for first home buyers.			
· Allow interest payments to be tax deductible for 5 years for first home buyers.			

Please forward completed surveys to [fairdealforland@gmail.com](mailto:fairdealforland@gmail.com)

## Election Survey on Housing Affordability

Neither of the major parties is offering any significant reform of the housing system, although the need for significant reform has been identified for years.

*"He (Australia Institute's chief economist Greg Jericho) said housing affordability needed to be "front and centre" of the upcoming federal election.*

*"25 years of the tax system incentivising housing speculation through the 50 per cent capital gains discount combined with negative gearing has left Australia with a housing affordability crisis," Jericho said.*

*"The 50 per cent discount and negative gearing now cost around \$12bn a year with \$7.2bn going to the richest 10 per cent.*

*"After 25 years, we need to stop doing what isn't working and start fixing things."*

[Housing deposits further out of reach than ever, new numbers show](#)

There are a number of significant changes that could be made to improve housing affordability.

Action	Notes
<b>Stop upward pressure on land prices</b>	
Enable Local Governments to release more land for development through infrastructure development.	The greatest upward pressure on land prices comes from low supply and high demand. This is due to slow Local Government approvals, often caused by a lack of appropriate infrastructure. This also puts prices up as LGs make approvals conditional on large contributions from developers. Eg Botanica, a 300 household development at Wellington Point, is giving Redland Council \$10 million for infrastructure development.
Encourage State Governments to stop putting a floor under land prices through annual Site and Unimproved land valuations based only on Market Value..	The State Government puts a floor under exorbitant land price increases through annual Site and Unimproved land valuations, effectively locking in higher land tax, rent and stamp duty receipts. It also provides a base for land investment and development decisions.
Abolish negative gearing.	Negative gearing and Capital Gains Tax discount costs the budget about \$20 billion per year. Government policies are focussed on benefiting an investment/rental market at the expense of home ownership. It supports the rich at the expense of the poor. 25% of investment properties are owned by 1% of the population.
Recognize the true value of owner occupation of housing to the owner, the community (through greater disposable income after a few years) and the government (through a stronger economy and less rent assistance in later life).	Owner occupied homes provide good value to the community and the government. It is reasonable that governments contribute to lessen the financial burden of purchasing a home, particularly for first home buyers.
<b>Assist first home buyers</b>	
Stop Capital Gains Tax discounts except for sales to first home buyers.	This will create downward pressure on the market by <ol style="list-style-type: none"> <li>1. Making investment properties less attractive</li> <li>2. Attracting more first home buyers into the market as sellers will realize greater profit through the CGT discount if they sell to a first home buyer.</li> </ol>
Expand the Home Guarantee Scheme to include all first home buyers. Replace the property price cap with a cap of \$250,000 (same as the Financial Claims Scheme) on the deposit guarantee.	The limit on the value of a property is too restrictive in today's market. The FGS provides a \$250,000 guarantee through selected providers without restriction. A similar limit on the deposit guarantee for the FGS would enable a lot more first home buyers to enter the market, with much greater return to the economy and government than the FGS.
Allow Superannuation to be used for a deposit for first home buyers.	Housing is a great investment and greatly reduces an individual's costs in retirement. As such it meets the purpose of superannuation.
Provide means tested government assistance through grants or equity sharing for a deposit for first home buyers.	Abolishing negative gearing and CGT will generate an additional \$20 billion for the budget. This could be used to increase grants for first home buyers.
Allow interest payments to be tax deductible for 5 years for first home buyers.	Interest payments and other expenses are tax deductible for investors who only pay 50% CGT. Allowing interest payments to be tax deductible for 5 years for first home buyers would be a much smaller tax concession than investors get, but would significantly ease the financial burden of home ownership in the first few years.