

Last week I sent a submission to the Inquiry.

After lodging the submission, the press reported on another issue affecting housing supply. I wish to add this issue to my submission.

- Friday 26 June 2015 the Daily Telegraph reported that wealthy overseas investors are buying up a large number of Sydney homes taking advantage of a clause in the FIRB rules that allows foreigners to buy existing houses if they can demonstrate the dwellings have reached the end of their economic life. The article estimates that 5,000 houses have been bulldozed and rebuilt under this provision citing the need for a new kitchen or bathroom to enable qualification.

This activity using overseas money (accrued under a more friendly tax system) would be yet another making it harder for local would – be purchasers to compete.

This issue needs to be addressed urgently.

Regards

Anne Carroll