

Summary

Residential properties, both new and established, should not be sold to foreigners. If the government insists that foreigners can be allowed to buy residential properties in Australia, measures must be taken to protect ordinary Australians.

Foreigners should not be allowed to buy residential properties in Australia

Selling residential properties, both new and established, to foreigners should be immediately stopped.

It is indisputable that foreign purchase has pushed the price of our residential properties too high, notably in Sydney and Melbourne. The overly high prices of residential properties have significant negative impacts on the standard of living and the wellbeing of many ordinary Australians.

Allowing foreigners to buy our residential properties disadvantages the ordinary Australian by forcing them to compete with foreign buyers, unfairly. Foreigners who choose to buy Australian residential properties are those who are financially better-off people in their own countries; some of them may have gained their financial advantages in unacceptable ways. Ordinary Australians are not in a position, financially, to compete with these foreigners. For so many ordinary Australians, who are the major contributors to this country's beauty and prosperity, they should not be subjected to such unfair competition.

To increase our economic growth by allowing foreigners to buy our residential properties is a very short-sighted policy. It self-defeats the purpose of growing the economy. We grow the economy to help Australians to enjoy higher standard of living and to improve their overall wellbeing. Rocketing property prices force ordinary Australians to pay overly more to buy a place to live or to rent a place to live.

Overly high residential property prices are extremely hurtful to those young people who are ready to start their families. Young people are the future of our nation. If many of them are forced to struggle financially in their early family life, the consequences on these young people themselves, their children, and the Australian society can be very disturbing, though yet to be seen.

For a healthy, happy and fair society in this great nation, please consider stopping foreigners from buying residential properties in Australia.

If the Government insists to let foreigners buy residential properties in Australia, I provide my comments on some of the questions as follows.

2. Are there other legislative impediments preventing data sharing between relevant agencies?

b. Should the creation of a new compliance and enforcement area be funded by the Australian taxpayer or through the introduction of application fees on foreign investors?

The creation of a new compliance and enforcement area should be definitely and fully funded by the introduction of application fees on foreign investors. Australian taxpayers have no obligation for such extra burden.

3. The Government seeks feedback on the proposed changes to the civil penalty regime, including:

b. Are the proposed penalty amounts appropriate and likely to serve as a deterrent?

They are generally appropriate.

One other penalty that can be imposed is that for any foreigners who committed the offense are no longer allowed to visit Australia any more. This can serve as a very useful deterrent. (Our country would not like to have those people who cheat anyway.)

4. Should the new penalty regime be extended to business, commercial real estate and agricultural applications?

Yes.

5. The Government seeks feedback on the introduction of fees on foreign investment applications, including:

b. Is the level of the fees appropriate?

i. Will the fees act as a barrier to foreign investment?

No. The level of the fees for properties below \$2 million is too low and will not act as a barrier to foreign buyers. The level is extremely inadequately low for properties below \$1 million. To those foreigners who are able to come to Australia to buy, \$5000 or \$10000 would not mean much. However, it is these properties (below \$2 million and especially below \$1 million) that many ordinary Australians may be able to buy.

If we really want to help those ordinary Australians to be able to afford to buy or rent a place to live, we ought to raise the fees for those lower-value properties so that they can act as a deterrent. That is, we may consider a regressive fee structure like the one suggested in the table below:

Property value	Fee to collect
< \$1 million	\$100000
\$1 million to <\$2 million	\$90000
\$2 million to <\$3 million	\$80000
\$3 million to <\$4 million	\$70000
\$4 million to <\$5 million	\$60000
\$5 million and above	\$50000

After all, not many ordinary Australians will buy those high-priced properties. If foreigners wish to buy high-priced residential properties, they are most welcome (assuming our government will make sure that their money is not dirty money and they are good citizens).