

**THE KELCOYNE-LAWRENCE FAMILY'S (PRIVATE) SUBMISSION ON WELFARE AND
HOUSING AFFORDABILITY TO THE TAX WHITE PAPER
(For potential inclusion into the AUSTRALIAN FEDERAL BUDGET 2015)**

Dear Senators Lambie, Dastyari, Xenophon, Milne, Ludlam and Hanson-Young,

My family and I humbly provide the following thoughts on Housing Affordability and Welfare for your perusal, consideration and potential inclusion as social policy in the very near future.

AND, because we don't like to complain without offering any solutions:

ON HOUSING AFFORDABILITY...

If the Federal Government was **REALLY** serious about Housing Affordability, it would let us mortgage (**OUR**) family homes (and **ONLY** the 'family residence' btw), **DIRECTLY** through (**OUR**) Reserve Bank of Australia (the RBA) at the going interest rate (currently just 2.25 %), and, it would let us do so 'for life' – just like it currently allows the bloody banks to do.

We believe that there is **ABSOLUTELY NOTHING** that the 'big 4' banks currently do for Australian Families, Individuals and Communities that the RBA couldn't do at (at least) **HALF** the interest rate and with (at least) **HALF** of the arrogance and contempt that we currently experience!

NOT ONLY would this idea **HALVE** the time it takes to pay a mortgage off, it would save us **HALF** the interest we pay over the lifetime of the mortgage – **IT WOULD ALSO** provide us with an opportunity to actually save for a (relatively) comfortable self-funded retirement **MUCH** sooner, **AND** it would lessen future government expenditure on Aged Pensions!

Australian Families, Individuals and Communities currently subsidise the Banks with (**OUR**) taxpayer funds to the tune of billions of dollars every year via (**OUR**) taxpayer-owned RBA. As a result of this very cosy relationship, the Banks make **RECORD PROFITS EACH AND EVERY YEAR**, with much of that coming directly from Australian families and going straight to offshore interests afterwards.

FURTHERMORE, we, Taxpayers do so at an incredibly generous interest rate (currently **just 2.25%**) - **ONLY** for the Banks to turn around and lend (**OUR**) funds straight **back** to us at **outrageous 100% profit margins on Home Mortgages** and even **more outrageous 400% profit margins on Credit Cards!** - We'd suggest to you that this is unconscionable, unbelievably greedy and... just not on anymore!

To boost the economy; to lower the unemployment rate; to offset the inherent disadvantages associated with casualisation and job insecurity; and, to vastly improve the welfare of ordinary Australians generally, Australian taxpayers ought to be able to mortgage (OUR) family homes (and only the 'family' residence) DIRECTLY through (OUR) Reserve Bank of Australia, using (OUR) taxpayer's funds. FURTHERMORE, WE ought to be able to do so at the going RBA interest rate (currently just

2.25%) - AND, WE ought to be able to enter into this flexible arrangement 'for life' or even on an intergenerational basis, if necessary.

Just imagine what this could do to address job insecurity as well as the profound stress, crime and domestic violence associated with it. Imagine the income that this would generate for the government rather than for the banks. Imagine the social benefits generally; imagine the boost to the economy; the boost to employment; and, the boost to electoral votes that this idea and the following idea might provide.

ON WELFARE...

If the Federal Government was **REALLY** serious about reforming the Welfare System, it would **DIRECTLY** link the amount one is able to receive in welfare assistance to the amount of time that the individual spends in education, training, the workforce; or, volunteering for the Community beforehand.

\$480 a fortnight to a 30 year old Mum or Dad who suddenly loses their job through no fault of their own and who is left with a family to support, a home mortgage, rent and/or a credit card to pay off; and, a car loan to service just doesn't cut it. It's literally death by a thousand financial cuts.

Every single Australian should be entitled to (at least) 18 months worth of Welfare Benefits (at the minimum rate), as soon as they become independent or turn 18 years of age – That way, an adequate 'safety net' would exist for those who don't (or can't) manage to gain substantive employment immediately after their education or through no fault of their own.

Imagine a welfare system where one's entitlement increases by virtue of their participation in education, training, the workforce and/or, unpaid Community service – Imagine a welfare system that's positive and motivational rather than punitive. Imagine a welfare system that encourages and rewards rather than punishes – And, imagine a welfare system that wouldn't be relied upon as much by Australian families because their new 'RBA Family Home Mortgages' means that they no longer risk losing everything if they suddenly find themselves unemployed through no fault of their own some time in the future, for example.

The idea here is that the RBA would provide mortgages at around 2.25% for the 'family home' (and only the family home or first homebuyer's residence). The commercial banks would be restricted to covering all business-related and investment-related banking as they have done in the past, with the exception being, for example, that a retirement 'investment property' would be regarded as investment-related banking and therefore **NOT** eligible for an 'RBA Family Home Mortgage'.

AND, ON TAXATION...

If the Federal Government was **REALLY** serious about bringing down a fair and equitable Budget, reigning in debt and boosting both the economy and employment, it would get rid of Income Tax for those earning less than say \$500K per annum and **ALL** State taxes (like it was *supposed* to do when the GST was initially introduced) - and then increase the GST to around 25% - That way, rather than being able to 'hide' their incomes through 'clever accounting' at the expense of the rest of us, corporations and wealthy people would have to pay their 'fair share' as they inevitably spend it.

Despite the fact that this is a short and somewhat concise Submission to the 2015 Tax White Paper and to the Abbott Government's current Welfare and Taxation Reform efforts, we do hope that you accord it the serious consideration that Australian Individuals, Families and Communities deserve – particularly the idea of allowing us to mortgage our family homes **DIRECTLY** through the RBA at the going interest rate, 'for life'.

As an Australian family and on behalf of all Australians, we would like to know what you think about these ideas; and, we would particularly like to know if you would be prepared to lobby others to accept, acknowledge and espouse the benefits of these ideas **before** the next Federal Budget is finalised.

We look forward to hearing back from you in due course,

Yours Sincerely,

Stephen + Family (Diane + Vashti, Callum, Casper and Sebastian)

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