

# Media Release

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## Government Must Carefully Consider Foreign Investor Fees

The Urban Development Institute of Australia has cautioned that excessive new fees outlined in a Federal Government discussion paper released today could discourage beneficial foreign investment into Australia.

The fees include a \$5000 application fee for property purchases under \$1 million, and a \$10,000 fee for properties of \$1 million or greater, increasing by \$10,000 for every additional \$1 million in value.

UDIA National President Cameron Shephard said that foreign investment under Australia's existing foreign investment policy was highly beneficial, and the Government shouldn't be punishing investors who play by the rules.

"Foreign investment has helped drive new dwelling construction, creating jobs, economic growth, and millions of dollars in tax revenue for state and federal governments. It has also boosted new dwelling supply, helping to alleviate Australia's critical undersupply of housing."

"Whilst a modest administration fee may be appropriate to help the government cover costs, the fees proposed in the discussion paper are clearly excessive, and if implemented would really just constitute a new tax.

"Such high fees would also be a major disincentive to legitimate foreign investment, and could damage new housing supply, economic growth, and jobs in the construction industry."

"The Government must consider these issues carefully before implementing its final policy," concluded Mr. Shephard.

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