



If you are like I was when I came to Australia 25 years ago, then you know a few people in this beautiful country but it may take a while to learn the fine details of living here. Australia is quite similar to Europe but enjoys many aspects of North American and Asian culture as well. The result is that many things feel similar but under the surface they can be quite different.

For example, for English people Sydney is full of familiar suburb names such as Paddington and Waterloo but Sydney is a very different place to London. The Australian national pastime isn't football or baseball or cricket but residential property. We have huge amounts of land but some of the highest property prices in the world. We have adopted many aspects of the American lifestyle but with a softer edge. As a young country we can change quickly in a short time. Right now we are rapidly getting richer.

25 years ago there was little Asian influence but now Australia is comfortable being geographically part of Asia and of course, there is all this great new food we are enjoying.

You may have heard that Australia's economy has done very well through the global financial crisis.

One underlying reason is that Australia lived the 80s to the full with last-resort-Laurie (Connell) handing out the most amazing loans and being involved in the most amazing deals. This led to a collapse in commercial property, a deep recession and 17% housing mortgage rates. As a result, Westpac, one of our biggest and, today, best run banks had a share price of \$2.50. It is now above \$25.

Another big influence was that Australian financial markets are deeply influenced by the 2001 collapse of HIH insurance which, at times, was the second largest insurer in Australia. Before the collapse HIH usually offered the best looking insurance deal and, if it was difficult to get a particular kind of insurance, they usually obliged.

Basically we took our global financial crisis early and in two stages. Together with a lot of luck through the China

A personal perspective

commodity boom, Australia today is not just one of the nicest countries in the world to live in but also has some of the best prospects.

So, how do you feel coming to Australia? Exhilarated, keen, curious, expectant with maybe a little apprehension? I arrived in February 1984 and I still remember the deepest blue sky with the brightest sun that I had ever seen and a need for more sunscreen more quickly than at any time before. It was beautiful.

In the financial world – property, investments, insurance, superannuation, tax – your apprehension may be justified. Australia has a coherent system where everything hangs together quite logically but this system is quite different from any other country. It takes a few years to fully understand it and to take advantage of it.

For example, residential property is strongly favoured by both the government giving tax relief and by banks as collateral. Our superannuation system is very complex but highly tax advantageous. Australian shares have substantial advantages for Australian residents through dividend imputation. Life (risk) insurance can be implemented in many useful ways.

Despite all this complexity, there are often simple ways to structure your financial affairs that take advantage of the various incentives and rules but remain easy to understand and manage. Achieving this is the role of a good financial adviser who works together with your accountant to set you up properly, and continues to support you in your chosen new home country.

Welcome to Australia

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