



the voice of the industry

5 September 2012

First Home Buyer Support Inequitable for Border Regions

An analysis by the Housing Industry Association (HIA) has highlighted the inequality for border regions when it comes to support for first home buyers, which should be addressed in the upcoming Queensland budget.

“Housing affordability is an ongoing problem for many Australians, which is reflected in the range of government incentives for home buyers,” said Colin Buttenshaw, HIA Regional Executive Director for the Gold Coast and Northern Rivers.

“Analysis by the Housing Industry Association demonstrates a significant inequality between the support offered in Queensland and across the border in New South Wales.”

“Not only does this discrepancy disadvantage one group of Australians over another, it risks distorting the building market by favouring one part of the region over another.”

“New home buyers in Queensland currently receive a \$7,000 first home owner’s grant, which applies to both new and existing homes. Unfortunately, the application of the grant to existing properties has the potential to actually inflate prices, and does nothing to increase supply or building activity.”

“However, in New South Wales, the government has addressed these problems by more than doubling the equivalent grant to \$15,000 and restricting it to new builds only.”

“There is also an attractive scheme worth \$7,000 for relocating from a metropolitan home to a regional area, such as the Northern Rivers. With similar concessions available for stamp duty, this makes the New South Wales side of the border a more attractive option to build.”

“The residential building industry in Queensland is in a severely depressed state at the moment, which is impacting on the livelihoods and job security of thousands of people within the region, and limiting the capacity of many to put a roof over their head.”

“Focussing first home buyer support on new home building not only brings more houses online, but also provides a boost to the building industry, which then has significant flow-ons to the rest of the regional economy.”

“Housing supply and affordability are serious issues in many parts of Australia, in no small way to due to the disproportionate level of taxation on housing, red and green tape slowing up new supply and constrained access to finance for builders and consumers.”

“Relief for first owners on the Queensland side of the border, either through further stamp duty concessions or other support in the budget, will help address this problem.”

For further information please contact:

Colin Buttenshaw

Regional Executive Director, Gold Coast and Northern Rivers
07 5587 7407 / 0408 189 098

MEDIA RELEASE