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FOR IMMEDIATE RELEASE

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Housing Stimulus Package Sweet Relief

The policy announcement by the Liberal Party to stimulate the Construction Industry in Tasmania would provide sweet relief on many levels say HIA Executive Director, Stuart Clues.

“Today’s announcement is a much welcomed acknowledgment of the value the construction industry adds to the Tasmanian economy,” said Mr Clues.

“The bottom line is the construction industry employs 40,000 people directly and indirectly in Tasmania making it the single biggest private employer in the state.

“The Housing sector is a powerful driver of the economy and this was recognised by the Rudd government during the GFC when it tripled the First Home Owners Grant and the immediate impact was 500 new homes were constructed in Tasmania.

“The dual pronged approach of the Liberals to double the First Home Owners Grant and to provide Stamp Duty relief has the capacity to provide a much needed boost and adrenaline shot to the Tasmanian economy,” said Mr Clues.

“The great thing about investing in housing is that the funds are injected into the economy quickly as homes are built in months not years and secondly the funds are spread far and wide amongst working families as up to 30 small businesses are engaged in the construction of a single home.

“When a government invests in housing it not only stimulates the economy quickly but it also provides one of life’s basic necessities.....shelter.” said Mr Clues.

Mr Clues stated, “FHOG Boost and Stamp Duty relief is welcomed by HIA because it enables young Tasmanian families the opportunity to get out of the rental market and into home ownership.”

“The emphasis of these policies needs to be on the construction of new homes otherwise they can create artificial price hikes in the established housing market,” said Mr Clues.

“HIA supports policies that add to the affordable housing stock for future generations and we would want to see the FHOG exclusively targeted at new home construction as this policy announcement does.”

The boost the FHOG and the Stamp Duty relief for first home buyers is a positive policy announcement during a difficult economic period.

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