

# MEDIA RELEASE



9 September 2021

## HIA welcomes 2021-22 WA State Budget

The Housing Industry Association has welcomed the ongoing support for WA's residential construction sector in the 2021-22 WA State Budget, including an \$884 million investment in social housing, and the decision to extend the construction start date for the Building Bonus and the transfer duty rebate for off-the-plan apartment purchases.

HIA WA Executive Director, Cath Hart said the State Budget has set Western Australia up to continue its positive post-COVID trajectory.

"Premier and Treasurer Mark McGowan has used the 2021-22 Budget to continue WA's strong economic recovery, and has recognised the important role that residential construction has played in protecting jobs and supporting the rebound in the domestic economy," said HIA WA Executive Director, Cath Hart.

"We want to see WA's housing market transitioning back to its long-term average of 22,000 starts so we have a stable pipeline of work that supports our businesses, our workforce and our apprentices and trainees as we continue working on the next phase of WA's economic recovery from COVID-19.

"The significant \$884 million investment in social housing, plus incentives for apartment construction will help smooth out activity over coming years for WA's residential construction sector.

"The decision to extend the commencement timeframe for Building Bonus grants from 12 months to 18 months is also commonsense and means with the current material delays and labour shortages consumers are less likely to miss out on their home building grants.

"The extension to the Building Bonus commencement timeframe brings it into line with the Commonwealth's HomeBuilder scheme which will take some pressure off builders and consumers currently trying to get their jobs to site."

Ms Hart said the high activity levels in WA's home building sector would continue through 2021-22, as a result of the surge in sales driven by grants following several years of under-building.

"WA's residential construction sector started the COVID recession at the bottom of a cycle and we're now halfway through a remarkable turnaround with huge demand and a shortage of stock," Ms Hart said.

"Builders are now experiencing a range of pressures associated with the huge levels of activity, including significant cost escalation as a result of labour shortages and material delays caused by the ongoing disruption from COVID-19 to global supply chains.

"Industry is working hard to ensure the orderly delivery of the current pipeline of work despite these ongoing challenges - HIA will continue to work closely with the McGowan Government to reinforce the importance of keeping our industry operating in the event of any future COVID outbreaks."

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