

BIG INVESTMENT, ONLY PART OF THE SOLUTION

MASTER BUILDERS MEDIA RELEASE: STATE BUDGET 2018-19

Tuesday, 1 May 2018

“We applaud the Treasurer of Victoria on the record \$13.7 billion commitment in 2018-19 on our state’s infrastructure—taking the average infrastructure spend to \$10.1 billion per annum over the next four years,” Radley de Silva, CEO Master Builders Victoria, said.

“This action suggests the Government understands the importance of the building and construction sector to Victoria’s economy,” Mr de Silva said. “Our sector’s contribution cannot be understated—we are the largest full-time employer in Victoria and taxation from property and land transfers still accounts for more than 45 per cent of the government’s revenue—demonstrating just how important building is for our state.”

“Small business needs greater support from the Victorian Government. 80 per cent of businesses in our sector are small and medium enterprises. The reduction in payroll taxes for regional businesses is therefore a welcome move.”

“But housing affordability, planning delays and skills shortages continue to be a concern, threatening what makes Victoria a great place to live and do business.”

“The \$49.8 million investment in the Head Start Apprenticeships and Traineeships program, allowing young tradies to stay in school an extra year and to finish school and their training, recognises the need to give young people the chance to complete trades training—however, whether this will enable those graduates to be “*ready to work in a high-demand*” industry is questionable. Master Builders considers that on-the-job training is an essential component of an apprenticeship and should continue to be a significant part of any apprenticeship training program. We will look to work with the government to ensure that this continues. Apprenticeship qualifications must retain the quality credentials that are essential for our industry. In addition, unless mandatory trades registration is ultimately a requirement for people in our industry, then the incentive to complete the appropriate training still remains low.

“The Government’s commitment to prioritise apprenticeships and skills training for specific sectors, including building and construction, is welcome, but the continued focus on funding TAFEs in priority to industry RTOs is a major concern. Industry RTOs are the very providers that are connected to employers, business and expertise in the building and construction industry. Master Builders will engage with Government over the next few days to ensure that industry RTOs will not be disadvantaged or affected detrimentally. The last thing our industry needs is the exit of the industry providers that are amongst the best qualified to provide such training. Master Builders was awarded with this Government’s 2016 Small Training Provider of the Year, so the irony of funding for TAFEs to the detriment of our RTO is palpable.”

“Safety remains a key priority of Master Builders and we have long provided on-site assistance and training to our members, and we therefore welcome the Government’s support in continuing these initiatives through an allocation of funding.”

“Planning delays and inefficiency continue to be a significant problem to increasing density in our inner suburbs and addressing the housing affordability crisis—especially in locations where there is existing infrastructure, amenities and jobs. We are pleased to see the Smart Planning program being given more funding, but we hope that more fulsome reform will come out of this extension of the program, with certain types of buildings needed to be included in the codified planning application regime, such as secondary dwellings and small apartment blocks.

“Planning delays hinder the maximisation of densification in our existing suburbs, pushing residents further from the city. No pace of road-building can alleviate the congestion that results. Increasing capacity for local councils to make planning decisions is one step, but more radical reform of planning decisions is needed—and if that requires codified systems, then we urge the Government to move forward with these initiatives quickly.”

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