

media release



MASTERS OF OUR INDUSTRY

Master Builders Association of Victoria
ABN: 38 004 255 654

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Master Builders calls time on first home bonus schemes

Victoria's peak building industry body, the Master Builders Association, has called on the State Government to dump its two first home bonus schemes and instead slash stamp duty for new home construction in Regional Victoria.

Master Builders Executive Director, Brian Welch, said the building industry is calling time on subsidies for purchasing existing homes in favour of targeted tax relief for new home construction.

"It's time the government gravy train for real estate agents came to an end," said Mr Welch.

"We are recommending a stamp duty cut of \$20,000 for 'new home' construction under \$500,000 in Regional Victoria to increase housing supply, encourage relocation and population growth.

"Under our proposal, newly constructed homes in regional areas costing less than \$467,000 will pay no stamp duty. Newly constructed homes costing \$500,000 will enjoy a 91 per cent cut in stamp duty.

"This will stimulate building activity and channel employment to regional areas where the long term effects of drought, the high Australian dollar and population drift are undermining economic vitality.

"With Melbourne's infrastructure struggling to keep pace with the demands of population growth, regional Victoria can play an important part in easing the pressure.

"By channelling growth into regional areas, we can do a better job of growing the State more evenly.

"Builders want targeted stimulus measures to tackle Victoria's housing shortage. This proposal achieves that at the same time as giving an economic boost to regional areas," he said.

Stamp Duty savings for new homes (PPR) in Regional Victoria*:

Town	Median House Price^^	Current Stamp Duty Payable**	Stamp Duty Saving^
Ballarat North	\$255,000	\$9,120	100%
Bendigo	\$300,000	\$11,370	100%
Geelong	\$380,000	\$15,370	100%
Mildura	\$200,000	\$6,370	100%
Sale	\$306,000	\$11,670	100%
Swan Hill	\$225,000	\$7,620	100%
Wodonga	\$237,000	\$8,220	100%
Warrnambool	\$285,000	\$10,620	100%

*State Revenue Office data

**Principal Place of Residence (PPR)

^If Master Builders Pre-Budget policy is adopted

^^REIV, APM

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