

media release



MASTERS OF OUR INDUSTRY

Master Builders Association of Victoria
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3/5/11

Baillieu Government's first budget a boost for building sector

The Master Builders Association of Victoria welcomes the Coalition Government's more than \$1 billion in construction and building sector commitments as vital for preparing the state for future growth.

Association Executive Director Brian Welch said the 2011 Budget considered the growing population and its needs while also cutting taxes for first home buyers.

"Victoria's population jumped by over 70,000 people last year, so ensuring that there is enough housing and infrastructure available will be critical to our state's long term success," he said.

Mr Welch welcomed the stamp duty cuts that will see stamp duty reduced by 20 per cent in 2011 and reduced by a total of 50 per cent by 2014 for some first home buyers.

"Victorians currently pay the highest rate of stamp duty in Australia and the cuts announced in today's budget will put Victoria back on the path of further property tax reform.

"The retention of the first home buyers grant will also enhance Victoria's reputation for reducing barriers for first home buyers."

The 2011 Budget also delivered:

- \$208 million in new capital works expenditure;
- \$34.5 million to improve the planning system; and,
- \$32 million in additional vocational training spending.

The Master Builders pre budget submission called for reform across a wide range of areas including:

- Cutting stamp duty to boost housing affordability;
- Upholding the rule of law on construction sites;
- Planning reform to improve land supply and permit processing;
- Ensuring a carbon tax does not add further woes to affordable housing; and,
- Boosting and growing the skills base of the workforce.

"Today's budget announcements underline the importance of housing to Victoria's economic prosperity as the 'can-do' place to do business," Mr Welch said.

"I congratulate the government on sticking to its election commitment to cut stamp duty for first home buyers, but we must also tackle land supply shortages which are driving house prices up.

"With a housing shortage of over 35,000 dwellings, the next twelve months will confront the government with some hard decisions."

Mr Welch said "the Master Builders will be advocating for reforms to address issues such as the need for a better dispute resolution s and a stable mandatory insurer for the industry over the coming year".

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