

# Media Release



30 AUGUST 2017

---

## PROPERTY INDUSTRY NO SOFT TARGET: UDIA WA

The state's leading property industry body, the Urban Development Institute of Australia (UDIA WA), says supporting the property market recovery in Western Australia should be a key feature of next week's state budget.

"It is no secret that the economic downturn continues to take a toll on the WA property market," UDIA WA CEO Allison Hailes said.

"While we have seen some recent improvements, with our data reflecting a 3.7% increase in vacant land prices last quarter, this momentum needs to continue in order for us to see a strong return to positive growth," Ms Hailes said.

"I hope that the McGowan government is cognisant of the significant importance of the property industry to the broader WA economy and refrains from using property as a soft target for increased taxation or cost cutting moves," Ms Hailes said.

"In recent years land taxes have been used as an easy revenue stream, with bracket creep impacting on the unimproved value of land. Those costs are eventually passed on to consumers through higher land prices," Ms Hailes said.

"Stamp duty is another tax that has increased exponentially over the last decade or more and is in dire need of reform," Ms Hailes said.

"In addition, we hope that the Minister for Housing sticks to the promise he made during a presentation at UDIA's July luncheon to fight to keep the First Home Buyers Grant at \$10,000 for new home buyers," Ms Hailes said.

"That grant is critical to supporting young home buyers entering the property market and assisting with a deposit," Ms Hailes said.

"In short, we absolutely do not want to see any increases to land tax or stamp duty or a cut in the First Home Buyers Grant in this state budget," Ms Hailes said. "Any such measures would be devastating to the WA property market recovery."

"In fact, a comprehensive review of inefficient tax mechanisms such as stamp duty would be more appropriate," Ms Hailes said.

"Infrastructure investment, particularly the firm funding and forward planning of key infrastructure such as transport is extremely important for the future development of Perth," Ms Hailes said.

"Long term investment in infrastructure is a key component of housing affordability," Ms Hailes said. "The government's urban infill targets and Metronet plans will only be successful with the appropriate commitment to infrastructure investment."

**End.**