

12 May 2009

## BUDGET 09/10

## HIA Welcomes First Home Owners Grant Extension

The extension to the boosted first home owners grant has been welcomed by the Housing Industry Association, Australia's largest building industry organisation.

"The current boost will be provided for another three months. This is a measure that has had a very positive impact on construction activity and employment across Australia," said, Ron Silberberg, Managing Director of the HIA.

The boosted first home owners grant will be extended until 30 September and will provide \$21,000 for new homes and \$14,000 for existing homes. Following this \$14,000 will be offered for new homes and \$10,500 for established homes.

The housing industry has been ravaged by the global financial crisis and the Budget decision to continue the boosted first home owners grant means thousands of jobs will be secure and frenetic buying will be avoided. The proposal provides a transition to the cutting in of the investment in housing under the Nation Building Plan.

"The measure is also important in addressing the chronic shortage in housing that exists right across the nation," said Ron Silberberg.

"In light of the long lead times on major infrastructure projects, it makes sense to utilise the housing industry to kick-start economic activity. Most of the spending on housing will take place over the next year.

"The Budget also recognises the need to invest in skills in the down time so that there will be a greater availability of people with employable skills when the recovery takes hold. Additional training support for young people is welcome. HIA would like to see even greater levels of assistance to employers to take on and retain apprentices, but recognises these initiatives can make substantial demands on the budget.

"The further reduction in the skilled immigration program, although not severe, assumes that the program can somehow be fine-tuned to meet swings in the labour market. HIA would much prefer the level and composition of immigration to be determined on the basis of long-term population and labour market assessments," stated Ron Silberberg.

## Further Information:

Ron Silberberg 0417 261 560

Chris Lamont 0414 765 040



media release