

Industry calls for \$40,000 homeowners grant and planning reform to boost homeownership and underpin the economic recovery

As we begin to the process of relaxing of lock down restrictions the balance is starting to shift from managing a health crisis to an economic one.

Tasmania's construction industry was lucky to remain open and was only able to do so thanks to the dogged commitment by businesses and workers to follow strict government health guidelines.

In terms of the economy, keeping the industry open was crucial to help cushion the devastating blow taken by other industries, and without it there was a risk that the economy could have stalled altogether.

Looking to the recovery phase, as in times past the building industry will need to take the lead in rebuilding our economy.

The multiplier effect of our industry is massive. Bureau of statistics data shows for every \$1 million spent on construction, \$2.9 million in output is generated in the economy. That is money which goes into the retail shops, hotels, restaurants, and bars which have suffered the most as result of this crisis.

But the recovery is going to be about more than money. We have an opportunity to build a fairer and more productive economy, one which provides a foundation for more Tasmanians to prosper.

Building a fairer housing sector would be a worthwhile place to start. This means building across the spectrum of needs, social housing, affordable housing, and housing which better meets the needs of a modern and increasingly metropolitan population.

Having more families own their home must be at the core of this strategy. Housing is the single biggest creator of wealth for lower- and middle-income families and homeownership, it is a springboard to self-sufficiency and is a perhaps the single most effective way of reducing poverty and dependency in the community.

We know that the biggest barrier to home ownership is the deposit gap. Many people, particularly young families already pay as much or more for their weekly rent than they would for the mortgage on a house which meets their needs. But saving a deposit to lock in that mortgage is beyond them.

We have one of the most generous and successful first home builders grant schemes in the country. Why not look to expand this program, boost the payment to \$40,000 for a period and make it available for anyone wanting to purchase a new home. This will put more people in their own home, build wealth for the long term, and support jobs and the economic recovery in the short term.

We also need to take a serious look at the planning system. The problem with the planning system is no secret and the sooner the government can bring forward the State-Wide Planning scheme the better. But the need for change is now urgent. The system is overly complex, reduces supply in the areas where people most want to live and means we pay more for the homes that we live in than we should. The system overall is inequitable and makes our cities and towns less affordable and less accessible.

Building a fairer housing sector and supporting more people and families to own their own home is sure-fire way to fast track our recovery. It brings long-term social benefits that come with home

ownership and is a fair and productive way to peg back some of the wealth that households have lost during this crisis.

That's why Master Builders is calling on the government to use the housing sector as engine for growth in our post COVID-19 economy.

Matthew Pollock

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