

New \$444 million housing stimulus for Western Australia

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Major housing package to support about 4,300 jobs across Western Australia
\$319 million to build, buy, renovate and maintain social housing across the State
\$117 million to provide homebuyers who build new houses with a \$20,000 grant
\$8.2 million allocated to expand the existing 75 per cent off-the-plan transfer duty rebate, up to \$25,000, to purchases in multi-tiered developments under construction
\$2.3 billion in stimulus and relief measures invested in response to COVID-19

The McGowan Labor Government has announced a \$444 million housing stimulus package to deliver a major boost to Western Australia's COVID-19 economic recovery, and support the building and construction sectors.

The comprehensive housing package will provide incentives for Western Australians to build new homes and deliver more social and affordable housing options for Western Australians.

The housing stimulus package will deliver:

- \$117 million for \$20,000 Building Bonus grants provided to homebuyers who sign up before December 31, 2020 to build new houses or purchase a new property in a single tier development (such as a townhouse) prior to construction finishing, creating 2,600 jobs;
- \$8.2 million to expand the 75 per cent off-the-plan transfer duty rebate, capped at \$25,000, until December 31, 2020 to include purchases in multi-tiered developments already under construction;
- \$97 million to construct social housing dwellings and purchase off-the-plan units for supported housing programs;
- \$142 million to refurbish 1,500 existing social housing dwellings; and
- \$80 million for targeted maintenance programs for 3,800 regional social housing properties - including remote Aboriginal communities' stock and subsidised housing for regional government workers.

The Building Bonus package will provide an ongoing pipeline of work in the residential housing construction market and is expected to support about 2,600 jobs.

The Social Housing Economic Recovery package is expected to support and create about 1,700 jobs, with 780 in regional WA.

The \$319 million social housing package will refurbish 1,500 homes, build and purchase approximately 250 new dwellings and deliver a regional maintenance program to 3,800 homes.

The plan is scheduled for immediate rollout, and will run into 2020-21, providing tradespeople and building material suppliers with additional certainty about an ongoing pipeline of work.

The package includes an \$80 million investment to fast-track a regional maintenance program, supporting workers and small businesses in regional WA.

As part of the plan, \$97 million is allocated to build or buy approximately 250 dwellings comprising of new social housing builds and off-the-plan purchases ready for immediate construction, aiming to accelerate the start of building construction-ready projects.

Off-the-plan pre-sales opportunities will be acquired through a time limited Call for Submissions process issued by the Department of Communities and expected to open in mid-June.

The package is the latest in a string of initiatives to support the housing industry since the McGowan Government came to power in March 2017, including:

- \$150 million Housing Investment Package to build more than 500 new social or affordable homes and refurbish 70 public housing properties;
- \$394 million METRONET Social and Affordable Housing and Jobs Package;
- \$29 million for a 75 per cent transfer duty rebate of up to \$50,000 for buyers who sign pre-construction contracts to purchase a new residential unit or apartment in a multi-tiered development;
- extension of income eligibility limits for borrowers accessing the State Government's low-deposit Keystart program; and
- extension of Keystart's lending capacity (loan book) by \$921 million to \$4.8 billion since 2017.

Since 2017, the McGowan Government has invested more than \$1.6 billion in specific economic measures to support the housing sector.

Comments attributed to Premier Mark McGowan:

"This new major housing package will provide a much-needed boost to WA's economy.

"It will provide a pipeline of work for WA building companies and local tradies, like bricklayers, plumbers, carpenters and painters, as we recover from the COVID-19 pandemic.

"The social housing component will also go a long way to helping those in need, get into a quality home.

"As a result of our Budget management over the last three years, we have the flexibility to respond to the COVID-19 pandemic and help support our local economy.

"WA's residential building industry makes a significant contribution to our economy and community, so it's important we help protect, support and create new jobs in this space."

Comments attributed to Treasurer Ben Wyatt:

"The McGowan Government's number one priority is repairing the economy and getting Western Australians back to work.

"This significant housing package takes the total funding the State Government has so far committed to COVID-19 stimulus and relief measures to \$2.3 billion.

"The package will recharge our housing industry by bringing forward a pipeline of work, providing a boost to our economy and supporting jobs."

Comments attributed to Housing Minister Peter Tinley:

"An estimated 66,000 workers are directly employed in the residential construction sector and many thousands more rely on the industry for their livelihoods.

"Protecting and supporting those jobs during this very difficult stage in the State's history is a responsibility that the McGowan Government takes very seriously.

"The various elements of the social housing package are designed to provide opportunities for work - especially in regional areas - and help propel WA's economic recovery.

"It will also result in more liveable, modern homes for tenants and improve the overall lifespan of our social housing stock - a publicly-owned asset with an estimated worth of about \$14 billion."

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