



14 May 2017

Guy Barnett, Minister for Building and Construction

## **Budget Boost for Building Industry**

Tasmania's building and construction industry is critical to our economy, employing more than 20,000 people right across the State.

The Hodgman Liberal Government is committed to backing the industry so that it can contribute to Building Tasmania's Future with such initiatives as our nation-leading building approval reforms and a single Statewide planning scheme.

In the last Budget, we doubled the First Home Builders Grant to \$20,000 for building a home to encourage housing construction.

Today, I am pleased to announce that the coming Budget will see the grant extended at this level through the next financial year, to 30 June 2018, so that even more Tasmanians can realise the dream of building their first home.

This will provide a welcome boost for the building industry, particularly for jobs – the Liberal Government's number one priority.

Further, the Government will move from 1 July to change the way stamp duty on house and land packages is charged, so duty is paid only on the value of the land and existing improvements at the time of entering into the sale agreement.

Currently, people buying a house and land package as part of one arrangement pay stamp duty on the combined value of the land and the house agreed to be built on it.

This change means they will now only pay stamp duty on the value of the land and anything already on it at the time of sale.

It will potentially deliver another saving for new home builders, which will help to further boost the building industry by reducing the stamp duty costs of buying a house and land package.

On a \$300,000 house and land package where the land (and any existing improvements) is valued at \$100,000, there could be a duty saving of up to \$7500.

In addition to this support, the Liberal Government is also directly investing in construction, with major projects such as the Royal Hobart Hospital redevelopment and our \$90 million Northern Cities Major Development Initiatives.

Right across the State, we're also rolling out our investment in providing more homes for Tasmanians in need.

Our \$73.5 million Affordable Housing Action Plan will deliver 900 new homes, which, based on industry benchmarks, is expected to create up to 550 full-time equivalent jobs in building and construction.

Building Tasmania's Future requires a strong, stable, majority Liberal Government, and we are delivering for our building industry.