

Media Release



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TREASURER DELIVERS GOLDBLOCKS BUDGET

The Real Estate Institute of Australia (REIA) has congratulated the Treasurer on Budget 2023-24 and has labelled it a goldilocks budget.

REIA President, Mr Hayden Groves, said that the Treasurer has attempted to deliver a Budget that fights off inflation and help Australians that are struggling in the context of global economic conditions.

“This Budget 2023-24 anticipates that inflation will return to RBAs target band by 2024-25 with inflation to reduce to 3¼ per cent next year.

“We especially applaud the budgeted increase of Commonwealth Rent Assistance (CRA) of 15% to Australians that need it the most to help them navigate this cost-of-living crisis which will help alleviate the pressures on a touted 1.1 million Australians.”

Mr Groves said that whilst CRA was a much-needed measure, housing supply at scale still needs to be addressed.

“The widely previewed commitments of the Home Guarantee Scheme rule changes, recommitment to the Housing Accord, an extra \$2 billion for the NHFIC mandate and taxation rule changes for the niche Build-to-Rent sector are welcome but will not in themselves address the elephant in the room which is building more homes for Australians.

“We hope the long-awaited National Plan for Housing and Homelessness puts all options on the table to truly unlock housing supply and the hotly debated Housing Australia Future Fund finally gets off the ground.”

Mr Groves congratulated the Government on a range of new small business and sustainability measures.

“There are some positives in there for small business including a \$20,000 instant asset write off for businesses with turnover of less than \$10,000 million and a new Household Energy Upgrades Fund to make energy efficient upgrades.

“However, looking to expand the Nationwide House Energy Rating Scheme to existing homes requires far more legwork than \$36.7 million is likely to deliver in our collective quest to achieve sustainable real estate.”

Overall, Mr Groves said that all eyes on the goldilocks Budget 23-24 will now turn back to the RBA.

“With inflation expected to peak by 2024-25 with a return to more normal economic conditions, it is a budget that should meet the RBA’s test of ‘not too hot and not too cold’ in terms of inflationary impact and thus their interest rate decisions,” concluded Mr Groves.

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Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit www.reia.com.au