

Media Release

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BUDGET 2024: REIA STATEMENT ON ‘HOMES FOR AUSTRALIANS’

The Real Estate Institute of Australia (REIA) has welcomed a focus on housing in Federal Budget 2024 with the ‘Homes for Australians’ plan but says it needs to be considered in the context of the entire Budget and the commitment to delivery by all three levels of Government.

The following quotes can be attributed to REIA President Ms. Leanne Pilkington –

Homes for Australians – Impacts on Supply

“It is unlikely the current Homes for Australians package will shift the dial on bringing more homes to market more quickly.

“This is particularly the case with the Treasurer dialing down expectations around the 1.2 million homes target in the week leading up to Federal Budget 2024.”

Homes for Australians – Interest Rates

“It is the inflation assumptions and the interest rates outlook that will be the single biggest factor in housing supply and affordability Tuesday night’s budget papers.

“You can repackage and reallocate all the funding in the world but the reality is this: a decline in interest rates of 50-basis points would boost net housing supply by 54,000 dwellings and a rise of 50-basis points would decrease net supply by 45,000 dwellings.

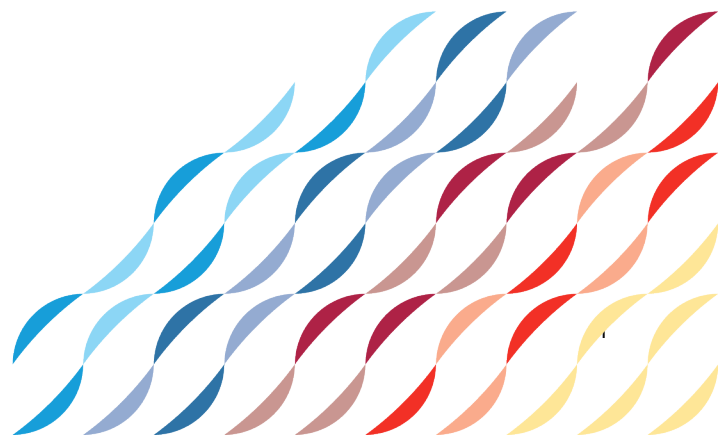
“With housing affordability declining even below Global Financial Crisis lows to 47.7% income to loan repayment nationally and a more even 23.9% income to rent and it is this indicator that will be the one that counts for everyday Australians.”

Homes for Australians – Stamp Duty

“It is unfathomable that once more the National Cabinet and the Federal Treasurer continue to ignore the biggest opportunity to unlock supply within the existing housing inventory.

“These are homes built now that aren’t reliant on pressures within the building and construction sector.

“Stamp duty reform would – at a minimum – bring around 4pc of existing homes to market – around 430,000 homes.”





Homes for Australians – Negative Gearing

“We welcome the Treasurer’s steadfast commitment to negative gearing on behalf of Australia’s 1.2 property owners who supply rental accommodation.

“Private sector investment will be essential to supplying the rental accommodation we need to house all Australians be it migrants, key workers, students and anyone else that needs it.

“In the absence of any additional incentives in the Homes for Australians Plan the status quo is greatly welcomed.”

Homes for Australians – Commonwealth Rental Assistance (CRA)

“It is absurd that CRA continues to remain well below market rentals in an historic underspend.

“It is the one thing that can be deployed by the Federal Government to support Australians that need help with cost-of-living and rental prices now.”

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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.

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