

Media Release



MASTER BUILDERS
AUSTRALIA

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Economic Settings For Stability And Growth

Master Builders is formally launching its policy *Economic Settings For Stability and Growth* as part of its Strong Building, Strong Economy campaign for the next term of government.

“A strong building and construction industry is crucial to a strong economy, creating jobs and driving productivity. The industry employs more than one million Australians and trains more than 50,000 apprentices each year,” Wilhelm Harnisch CEO of Master Builders Australia said.

“Master Builders is calling for the next Federal Government to seriously tackle the debt and structural deficit problem to boost confidence and attract investment,” he said.

“Economic policy settings must help business to grow and not add to the costs of employing people. The industry is an important part of the transitioning economy in the decade ahead. The building and construction industry needs policies that underpin a strong economy and jobs and that will boost the confidence of business, consumers and homebuyers,” Wilhelm Harnisch said.

“Getting the economic policy settings right will deliver prosperity and growth for the building and construction industry, the wider economy and the community,” Wilhelm Harnisch said.

Master Builders’ key policy priority priorities to ensure this outcome are:

1. A clear pathway to a budget surplus must be developed and delivered. This must involve eliminating waste and inefficiency in public spending, and ensuring fiscal settings have a neutral impact on interest rates.
2. Reducing the company tax rate to 25 per cent.
3. Closing the gap between the company tax rate and the higher marginal personal income tax rates to help improve tax compliance productivity and workforce participation.
4. Reducing the capital gains tax burden through the introduction of a reducing stepped rate of tax on capital gains to encourage longer-term investment decisions and discourage speculative investments.
5. Unnecessary compliance costs and business regulations, such as ‘red’ and ‘green’ tape must be eliminated.
6. Improving access to affordable housing and stimulating activity in the residential building sector. This means working through the Council of Australian Governments (COAG) in removing unnecessary supply constraints, and abolishing or reducing inefficient taxes and charges. Negative gearing must stay.
7. Developing innovative funding arrangements and more effective public infrastructure investment policies to boost construction activity and improve economic and community wellbeing.

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