

### **Federal Budget a mixed bag for South Australia**

Tonight's Federal Budget presents a welcome investment in infrastructure across the country that will build much-needed confidence, Master Builders SA says.

The focus on housing affordability is also welcome but there remain questions about the benefits likely to be enjoyed by South Australia, Chief Executive Ian Markos said.

"There is tremendous news for our industry nationally with plenty of major projects, but South Australia will see nowhere near this level of activity," he said.

"However, we are optimistic about the Coalition's \$265 million power plan. Uncertainty around power supply has hit business confidence, but supporting the investigation of two potential gas lines is an investment in the future, and the \$110 million funding for Port Augusta's solar thermal plant will drive up to 1000 construction jobs, which is terrific news for our industry.

"Jobs, jobs, jobs. South Australia continues to record unacceptably high unemployment rates and concerning economic growth rates, so we welcome any positive news to address these issues."

The Budget's investment in support for apprentices is needed, given the halving of apprentice numbers in only five years and South Australia's unfortunate record of having the country's highest level of youth unemployment.

Master Builders SA believes all parties should welcome the many Budget measures aimed at addressing housing affordability. However, some measures risk dampening investment at a time of need for South Australia.

"Housing affordability is a complex issue with no simple solutions and measures to encourage the release of more land to address supply side issues should be embraced by State Governments if they are serious about the issue," Mr Markos said.

"Unfortunately, property investment is at risk from some of these Budget measures. In particular, the introduction of a 50 per cent cap on foreign ownership in new property developments may affect demand for projects. This may give buyers in eastern states some relief in those heated markets, but South Australia faces completely different challenges. We don't want to see investors look for alternative places to do business."

### **Ends**

#### **For further information**

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#### **Available for interviews**

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