

### **“SHOT IN THE ARM” FOR FIRST HOMEBUYERS AND SA BUILDING INDUSTRY**

#### **First home buyers and the residential building industry are the big winners out of today’s State Budget, Master Builders SA says.**

“This is a great day for South Australians who dream of building their own home, and our local building industry,” said Master Builders SA Chief Executive Officer Will Frogley

“Stamp duty is the largest taxation liability when purchasing a new home and a major impediment to home ownership and economic growth.

“A \$650,000 property currently incurs a whopping \$29,580 in stamp duty. Talk about a disincentive - and think of the opportunity cost!

“Building new homes not only builds stronger communities, but it also provides virtually unrivalled ‘bang for the buck’. According to the ABS, residential building has the second highest economic multiplier out of all industries.

“This budget means more South Australians will be able to build their own home, more work for builders, tradies, apprentices and suppliers, and more jobs and economic activity across the state.

Ahead of the 2022 South Australian election Master Builders SA commissioned [Hudson Howells Financial Pty Ltd](#) to independently assess stamp duty. A copy of the report is available here <https://lnkd.in/gmHmEW2C>

The report found that:

- Stamp duty is an inefficient and bad tax in the context of options available to governments
- It impacts housing affordability for new home buyers, including the upfront price demand impacts and the ongoing financing over the term of a loan
- It hinders mobility in the market
- In a **Low Case Scenario** abolishing stamp duty on homes up to \$650,000 would deliver an extra 1,000 homes, 4,693 Additional FTE jobs and a Net State Government Gain of \$24 million.

"The pipeline of work for non-residential buildings also looks positive with significant investments in health and school upgrades in particular.

"It is also pleasing to see the government invest in mature aged apprentices, trades where severe shortages exist such as bricklaying and concreting, and a Master Builders SA/Born to Build tradie recruitment blitz in the perfect target market of The Adelaide Football League.

Master Builders SA congratulates the Malinauskas Government for having the courage to support home ownership and South Australian jobs.

**Contact: Estha van der Linden, Director, Policy and Communications 0404 391 524 or  
Will Frogley, CEO 0422 052 728**