

Media Release

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Tough Budget Offers Little for Housing

Amid a tight fiscal environment, the 2012/13 Federal Budget offers little for Australia's development industry. However, the Government has refrained from cutting key housing funding commitments such as the National Rental Affordability Scheme (NRAS), the Housing Affordability Fund (HAF) and the Building Better Regional Cities (BBRC) program.

Urban Development Institute of Australia (UDIA) Chief Executive Officer Richard Lindsay said: "We have been anticipating a tough budget, but are equally relieved that the Treasurer has resisted the urge to cancel key funding programs".

"We are mindful that this Budget was characterised by difficult decisions, but the Government should consider the importance of the development industry to Australia's economy. The property development industry is one of the major drivers of the Australian economy, directly accounting for 7.3% of Australia's GDP and employing 975,700 Australians," said Mr Lindsay.

The Institute welcomes the funding provided to implement the reforms to the Environment Protection and Biodiversity Conservation (EPBC) Act. However, UDIA is opposed to the revelation that the funding of the reforms to the Act will be offset by a process of cost recovery on environmental impact assessments.

"UDIA is fundamentally opposed to this reform as it is inequitable and unjustified. The administration of the EPBC Act should continue to be funded directly through taxation revenue," said Mr Lindsay.

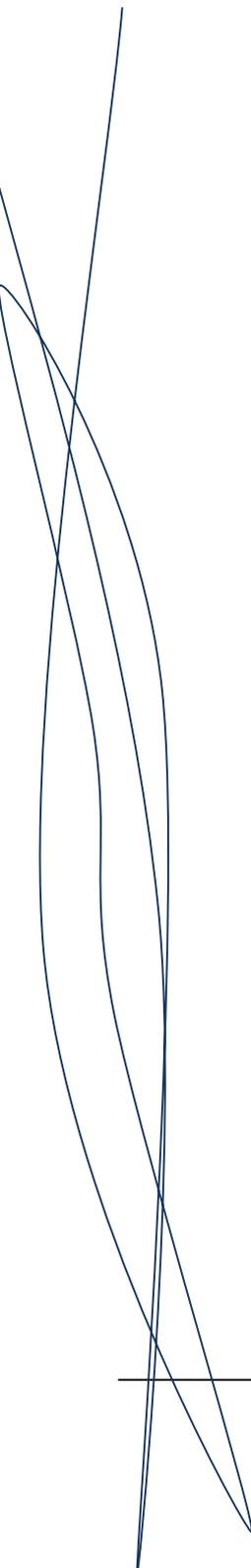
Mr Lindsay said UDIA is also concerned over the decision to abandon the Tax Breaks for Green Buildings program before the initiative had been launched.

"UDIA supports incentives and programs which encourage sustainable development in the built form. To this end, we are disappointed with the removal of tax breaks for improving energy efficiency in existing buildings and urge the Government to consider future programs which benefit sustainable urban development," said Mr Lindsay.

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