

Media Release

Builders celebrate surplus and support for industry

May 9, 2019

Master Builders congratulates the McGowan Government on achieving a return to surplus ahead of schedule and looks forward to an increase of confidence in the building sector.

Executive Director John Gelavis said the WA construction sector was at an all-time low and, although the industry was traditionally cyclical, the downturn had continued far longer than expected.

“The McGowan Government has understandably been focused on getting the state finances in order and now they have announced WA is back on track, we look forward to confidence returning to the building industry,” he said.

“The industry has lost around 15,000 workers during the downturn and a significant number of building companies have gone under. Many more are clinging to survival.

“It is important to protect the building industry from devastation or it won’t have the capacity to build the new homes, roads, hospitals and other infrastructure which will be in demand as the state returns to better times.

“We are grateful the government has listened to our calls for support and unlocked access to Keystart, raising the income levels for singles and couples by \$15,000 and for families by \$20,000.

“These are people who have been shut out of the market by tighter access to credit but their income levels mean they are likely to be successful in home ownership.

“There has been a jump in calls to Keystart from people interested in loans since the changes were announced last week.

“Their eagerness to build their dream home is matched by the eagerness of residential builders to get to work.”

Here’s how other aspects of the State budget will affect builders, with quotes from John Gelavis.

Metronet

“There’s been a lot of talk about Metronet. Let’s get it built.”

“The announcement of \$4.1billion to be spent on infrastructure work for Metronet over the next four years is music to builders’ ears.”

“Construction which is expected to begin on the Bayswater Station, Morley-Ellenbrook rail line, Thornlie-Cockburn Link and Yanchep rail extension will create thousands of jobs.”

Residential building

“As the Treasurer reported today, WA households have a high savings rate of about 15 per cent, which is well over the national average of around five per cent. We hope the good news in the budget today will encourage West Australians to relax their spending restrictions and go ahead with plans for home extensions and renovations, which will boost jobs in the housing sector.”

Regional WA

“Regional WA has suffered in recent years, which has meant a plunge in building work.”

“We are pleased the State Government has committed to continued investment in Royalties for Regions and allocated \$5.6billion to regional infrastructure over the next four years.”

“The \$2billion to be spent on regional roads including Bunbury and Albany ring roads and other key routes in the Pilbara, Kimberley and Goldfields will generate employment in the civil building sector.”

“The \$13million dedicated to building a cancer facility at the Albany Health Campus will be a boost for commercial builders in the region.”

Infrastructure

“Master Builders look forward to the passing through Parliament of the important Infrastructure WA Bill 2019, which will provide certainty to the industry, create jobs for builders, subbies, suppliers, apprentices and the many associated with the state’s second largest employer.”

“Investing \$30million to pave the way for redevelopment of the East Perth Power Station brings the hope of both an iconic precinct for the state and significant construction work for our industry.”

“We welcome the news that \$164million will be spent on the Ocean Reef marina, starting with \$5.7million in the year ahead.”

Job creation

“Employers who are not eligible for the Construction Training Fund can access the Employee Incentive Scheme, where \$182million has been provided, creating opportunities for apprentices and trainees.”

“Master Builders has had positive discussions recently with the Premier and Treasurer and we congratulate them on a 2019-20 State budget which gives hope to our industry.”

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