

Media Release

Builders cheer HomeBuilder extension

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Master Builders WA welcomes the McGowan Government decision to use its discretionary authority to extend the Federal HomeBuilder construction timeframe, easing bottlenecks anticipated by the industry.

Executive Director John Gelavis said states administer the scheme on behalf of the Federal Government and using the power to extend timeframes was a relief to builders because it meant construction could start within six months of the contract date, potentially up to end of June 2021.

“The Premier’s decision today to extend HomeBuilder, following the Building Bonus extension, will mean smoother construction timeframes, allowing the industry to do what it does best and build high quality homes,” he said.

“Due to the heightened demand driven by unprecedented state and federal stimulus, we expect some delays in the construction process with specific trades, however it is important that consumers remain patient and work closely with their builder.

“Master Builders are forecasting WA housing commencements to exceed 18,000 in the 2020-2021 financial year, up from a devastatingly low 13,454 in 2019-20. This recovery validates our advocacy for Keystart changes in May 2018 and March this year for a \$40,000 building stimulus package.

“The housing industry has been suffering devastating numbers, as much as 60 per cent below the 2014-15 period, when commencements were high at 32,000. Since 2018, Master Builders has been asking the WA Government for help such as Keystart income limit changes, First Home Owner Grant boosts and building bonus stimulus, to stop the dramatic decline of one of the state’s largest employers.

“When COVID-19 exacerbated the already poor conditions in the housing market, we called on the Government to act and they have responded with stimulus packages which has saved many businesses such as builders, subbies, manufacturers, suppliers and apprentices and will keep thousands of people in work and many West Australian families financially secure.

“Keystart and the adjustments to the income limits in May 2019, played a critical role in the recovery. Without their low-deposit lending arrangements, many first-time buyers would not be able to engage in the stimulus and achieve the dream of home ownership.

“The residential sector is now heading in the right direction but there is more to be done in clearing the path to recovery, such as removing unnecessary red tape so housing projects can get started quickly and deliver more local jobs.

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