

Media Release

State Budget delivers for WA building and construction industry

September 9, 2021

As Western Australia gears up to its first ever AFL Grand Final, Premier Mark McGowan has delivered a budget that has some big wins for the State, and the building and construction industry, delivering a \$5.6 billion surplus, including a record \$2.1 billion investment in social housing and \$30.7 billion in infrastructure over the next four years. Investing in the building and construction industry makes perfect sense, as every \$1 dollar spent in the industry results in generating \$3 for the general economy.

"Today's budget endorsed the critical role the almost \$30 billion building and construction industry plays in supporting the local economy, jobs and leading the state's economic recovery from Covid-19," said Master Builders WA executive director John Gelavis.

"Along with facing a global pandemic, Western Australia has also had to deal with the dual impacts of tropical cyclone Seroja and the Wooraloo bushfires, and the impact they have had on our economy," he said.

"Prior to the State Election, Master Builders had written to the WA Government advocating a fivepronged strategy of recommendations to drive our industry now and into the future, and we are very pleased the WA Government has listened to us, and adopted our strategies to boost small, medium and large businesses and stimulate local jobs in the WA economy.

"The five priorities that Master Builders WA put forward to the Government, include building safe and productive workplaces; economic settings for stability and growth; infrastructure and investment; jobs and skills for the future, more small business and less red tape. Master Builders also called for cuts to bureaucratic red tape and environmental green tape, measures to boost confidence in the industry and a consistent pipeline of work.

Master Builders' response to WA Government's infrastructure Investment

Master Builders welcomes the \$30.7 b investment in Infrastructure, including the Metronet project, which will build a strong pipeline of work for the building and construction sector for years to come.

Mr Gelavis said Master Builders fully supports the announcement in investment in healthcare and education infrastructure, with \$449.5 million in building school infrastructure, upgrades and maintenance and \$1.3 billion in improving health infrastructure. This level on investment, including the \$1.8 billion for the new Women's and Babies Hospital, will create a significant amount of local construction jobs.



"Master Builders welcomes the announcement in the budget of infrastructure investment in regional Western Australia, including social housing and \$9.1 billion in important infrastructure, which will not only deliver important services to the community, but also local construction jobs," Mr Gelavis said.

Social Housing

"Master Builders has long supported a greater investment and delivery of social and public housing, so we welcome the \$875 million additional investment in social housing to substantially increase stock and deliver an estimated 3,300 new properties, which will assist those looking to secure home ownership and create jobs within the construction sector," Mr Gelavis said.

State Building Bonus Timeframe Extension

"The announcement today that the highly successful State Building Bonus will be extended until 30 June 2022, is welcomed by the industry," Mr Gelavis said. This will align the completion timeframe with the Commonwealth Homebuilder stimulus package, which also finishes at the end of June next year. The extension – previous deadline was for 1 December 2021 for significant earthworks – will give new home builders more time to meet the 30 June 2022 timeline for commencement of works.

Transfer Duty rebate

"Master Builders welcomes the extension of the transfer duty rebate for new residential units and apartments in a multitiered strata development for a further two years.

"As announced today by the Premier, the rebate of 50 per cent transfer duty up to \$50,000 will now apply to buyers who sign pre-construction contracts between October 24, 2021, and October 24, 2023 (inclusive) to purchase new residential units and apartments in a multitiered strata development, which will assist home ownership and local jobs," Mr Gelavis said.

Cutting Red Tape – Streamline Approvals

"Master Builders has asked the Government to commit to an improved 'one planning framework' that concisely accounts for state, regional and local plans and policies, guides decision-makers in both strategic and statutory planning matters, supports consistent and efficient planning decisions, and limit delays in the process, so we are pleased to see government has responded to industry calls with a record \$120 million investment to streamline the approvals system to unlock new projects."

Softwood Plantation

"The investment of \$350 million in new pine plantations by planting 50 million trees is welcomed by the WA Building and Construction industry, which will secure the long-term pine supply for decades



to come. Structural timber is one of the most important materials in building a home, so the availability of this resource in the future will be critical.

Jobs and Skills

"Master Builders welcomes the investment of \$121.4 m in training initiatives, including the 32.4 million for 300 new building and construction apprentices and trainees working on State Government projects, \$32.4 million for new Group Training Scheme apprentices and the 19.2 million VET Career taster program for Year 9 students, will be of great support for the industry as it continues to grow.

"As it has done through the Covid-19 pandemic, the State Government today has really backed the Western Australian Building and Construction Industry to not only remain operational through the pandemic but be a key driver in rebuilding the economy, creating economic activity and prosperity for the state.

"A strong building industry means a strong WA," Mr Gelavis said.

For more information, please see our Advocacy Platform located at https://www.mbawa.com/2021-state-election/ or contact: John Gelavis, Director – w: 9476 9800 m: 0428 884 392

Communications Coordinator Louise Merrillees – w: 9476 9817 m: 0477 225 905 e: louise@mbawa.com