

Media Release

Government Pulling out Budget Big Guns, But Must Hit the Supply

9 May 2024

Today's announcements show a government with the firepower and the initiative to tackle some of the big issues. A clear contrast to the budget handed down in Victoria earlier in the week.

The budget shows how important a strong construction industry will be to support WA's strong economy over the next four years.

The main priorities to support more housing, diversification and decarbonization of the economy and delivering cost of living support all rely heavily on the construction industry.

The budget estimates state that housing is one of the main contributors to inflation in WA and therefore to the cost-of-living pressures. Building capacity in the construction sector to boost housing supply is one of the best things we can do to bring down the cost of living.

Matthew Pollock, Master Builders CEO said, "thanks to several years of good economic management, the WA economy is showing the rest of the country a clean set of heels.

"Population growth is running hot. While this is good for workforce capacity, it does further raise the bar for housing supply.

"The Budget shows 94,000 people moved to WA last year. To house these people, we'd have needed to build over 40,000 new homes. We didn't get close to this number.

"There is \$1.1 billion for housing in the Budget, and \$85 million to growing the construction workforce. Delivering on these commitments and working with industry to do so is the crucial part over the next 4 years.

"The \$1.8 billion economic diversification and decarbonization transition will rely heavily on a bigger and better resourced construction industry. This is a huge opportunity for West Australians to take up rewarding and well-paid careers to build this transition.

"There is an additional \$1.6 billion into regional infrastructure, particularly into health and education. It will be important that we have support to build the workforce in these regions to deliver these projects.

"Recent work by Master Builders shows the true costs of falling productivity in the construction industry.

"Federal government IR reforms should be a cause for concern for the WA government given the record pipeline on infrastructure announced in the Budget today.



“With cost-of-living pressure biting WA households its crucially important that taxpayers get bang for buck on infrastructure investment.

“MBA predicts we need to attract and train an additional 40,000 to 50,000 people into the construction workforce between now and the end of 2026 to build the houses and the infrastructure required to support a strong and growing WA economy.

“This Budget is A grade, but the real challenge will be making sure capacity and supply keeps pace”, Mr Pollock concluded.

For more information, please contact:

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